UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 61. June 4, 1921.

The Kansas State Grain Dealers Association before the Senate Agriculture committee yesterday gave qualified support of the Capper-Tincher bill to regulate grain exchanges. George T. McDermott, counsel for the association, suggesting changes, mostly technical, said it was necessary to protect the legitimate "hedge" to maintain a stable market. S. L. Hargis, president of the Kansas City Board of Trade, asserted the changes proposed in the marketing system would limit the market and make price fluctuations a menace to producers. Seasonal forecasts put out by the Department of Agriculture were criticised by him as causing violent upsets in prices. (Phila. Ledger, June 4.)

Manufacturers who buy raw wool have legally created standard grades to protect them, but consumers who buy their textiles have nothing in law to assure quality and content, Gray Silver, representing the American Farm Bureau Federation, yesterday told a Senate committee considering the Truth-in-Fabrics bill. Its provisions, which would require branding of cloths with the actual percentages of content, would help both growers and comsumers, he said. (Press of June 4.)

"American delegates to the world cotton conference, to be held in Liverpool and Manchester this month, will not have easy sailing with the one big object they have in mind, that is, inducing Britishers to again accept American standards of grading and put all American exports on the basis of New York arbitration. Because of the unenviable financial condition of England's cotton trade at present, the Americans will have a better lever than heretofore, but if their ideas prevail it will take a great deal of persuasion... W. R. Meadows and W. L. Pryor, of the Department of Agriculture, will lend official weight to the American arguments..." (London cable to Phila. Ledger, June 4.)

Dun's report today says: "Another month has passed without general recovery in business, but conditions are steadily working toward a stronger and sounder basis... There is hope that a more decisive turn for the better will be witnessed after ending of summer." (Phila. Ledger, June 4.)

"Agrarian Bloc"

"Forming an agrarian bloc in both houses of congress has caused no little comment and, to many, seems to be the shadow of coming events. It is not wholly a new thing in this country, but it is the most pronounced and most frankly proclaimed of its kind. Is it the beginning of the end of two-party government?... There has been for some time a labor bloc in congress, more or less under cover. There has been the waterways group, more or less identified with the farm group. There are the irrigationists, the natural resource reservationists and the west coast members whose bete noir is Japan. The open action of the agrarians will encourage the others to a closer and franker organization. How long, then, will it be before these groups begin to combine to control congress, more or less regardless of the administration, whatever or whoever that may be?" (From editorial in Wash. Herald, June 4.)

Alaskan Development

An editorial under the title, "The Alaskan Development Board," in The Iowa Homestead for May 26, says, in part: "The Secretary of Agriculture does not look with favor upon the creation of any board with such broad powers as this one would have... He is opposed to letting the development of Alaska pass out of the control of the people... Some years ago, after a long continued fight, Congress created a Federal Power Commission in Alaska, and to now put this commission out of business after it had begun to function in a satisfactory manner would be a mistake viewed from the future development of Alaska and welfare of the nation as a whole."

Candian Butter Prices

There was a sensational decline in the wholesale price of butter in Winnipeg this week, and creameries announced that they would sell No. 1 butter in pound bricks in cartons at 27 cents a pound, and No. 2 in similar packages at 25 cents a pound. These prices indicate a drop of 8 or 9 cents a pound from those prevailing last week, and are lower than outside market. Butter is being retailed at 39 cents a pound. (Commerce Reports, June 2.)

Cotton Workers Strike

1. Practically 500,000 operatives in the spinning and weaving sections of the cotton mills at Manchester, England, will cease work today, owing to failure to reach agreement with the Cotton Spinners and Manufacturers Association over a proposed reduction of 30 per cent in wages. Therefore, all the cotton mills will be closed today. (Assoc. Press, June 4.)

2. Employees of the three big cotton mills in Charlotte and Concord and Kannapolis, N. C., walked out June 2, inaugurating the strike which has been simmering in that section for several weeks. The total number out in Charlotte is estimated at around 3,000, while there are 6,000 out in Concord and Kannapolis. (N. Y. Commercial, June 3.)

County Agent and Farm Bureau

An editorial entitled "County Agent and Farm Bureau", in The Indiana Farmer's Guide for May 28 says, in part: "Since farmers' organizations have become so prominent in commercial affairs, the question has arisen as to the duty of the county agricultural agent and his relation to buying and selling enterprises. There are those who say that the agent is the farmers' representative and it is his place to take the lead in all organization matters, and that his first and only duty is to the farmers of his county. (Cont'd on page 3.)

County Agent and Farm Bureau (Cont'd

On the other hand, it is contended that the county agent is paid not only by the farmers' money but by all the residents of the county, and that it is rather inconsistent that he should work for one class and against another, which is what he is doing when he helps farmers boycott their home merchants, when both are helping to pay his salary. The county agents themselves are divided in their opinion as to the extent of their activities, and in Indiana, quite generally, are opposed to taking on any line of commercial work, holding that their first duty is toward the community as an agricultural unit, and that the community consists not alone of the residents of the open country but of the small towns and villages that depend upon farmers for their existence. Where cooperative buying and selling organizations have been formed the agents have refused to hold offices in them or to be active in their managements. This we believe to be a wise position to take in the matter, for the future of the county agent work and the county farm bureau, which is the basis of the agent movement, depends upon continued harmonious relations between all the residents of the county, both rural and urban."

Farmers and Grain Bureaus

"President Griffin of the Chicago Board of Trade reports farmers are resigning from the United States Grain Bureaus in droves." (Wall St. Jour., June 3.)

Farm Labor

State Senator Frizell, former director of farm labor of Kansas, writes to the Wall Street Journal for June 3 as follows: "We have another large harvest approaching, and will need a large number of extra men in each of the wheat growing counties of Kansas. Many of the counties in the central part will require from 3,000 to 5,000 extra men to harvest the crop... We anticipate the harvest wage will be the value of three bushels of wheat for one day's work. At present wheat is selling at $1.35 a bushel, which would make the wage $4 a day..."

Farm Outlook in West

Progress by farmers in readjusting business to new world conditions is being felt in a favorable manner in general trade in the West, according to a Kansas City dispatch to Philadelphia Ledger for June 4. "Collections are better in all lines," A. E. Adam, secretary of the Credit Men's Association of Kansas City, reports. "The wholesale distributors of hardware, farm implements and general merchandise are reporting more favorably to us on collections." In the aggregate, farmers have saved many millions of dollars in the West this spring, in labor and other spring seeding expenses.

Foreign Trade

Export trade of the United States with Australia does not appear to be facing extinction in spite of Australia's high protective tariff of 1920, under which preference is given to the United Kingdom, according to Commerce Monthly for June. Extensive natural resources and the development of agricultural and pastoral industries have made the country an exporter of raw materials. It is now urged, however, that these valuable products be manufactured at home. The United States is the largest exporter to Australia after the United Kingdom.

FreightRates 1. Referring to President Harding's recent personal request of the Interstate Commerce Commission for relief in freight rates for shippers, The Journal of Commerce for June 3 says editorially: "The fixing of freight rates is a function of scientific and economic importance which cannot be trifled with but must be carried out in a nonpartisan and independent way... At the present moment the railroad business is in an unusually difficult and straightened situation. There is difference of opinion as to whether rates ought to come down, but little or no difference of opinion as to the view that they cannot come down much unless experience and investigation show conclusively that such reduction will leave the roads with substantially as large a revenue as at present... If fruit growers or others who now find it hard to ship their products in competition with others are of the opinion that lower freight rates will materially help them they may be correct, but that does not warrant the granting of such rates unless other considerations combine to make the reduction equitable."

2. "Fleets of motor trucks, quickly engaged by Burlington Co., N. J., farmers who have refused to use the Pennsylvania Railroad Co.'s special freight at the 100 per cent tariff imposed this week under the Interstate Commerce Commission order, yesterday moved hundreds of tons of perishable farm products into New York and New Jersey markets... The farmers say they will fight to have the old rates restored." (Phila. Ledger, June 4.)

French Embargoes Removed

The French prohibition on the exportation of oleomargarine, butter substitutes, etc.; preserves prepared with or without sugar or honey; and edible vegetable fats has been removed. (Commerce Reports, June 1.)

Grain Trading

An editorial in The Iowa Homestead for May 26, under the title, "Tincher Bill Seeks to Limit Grain Gambling," says, in part: "As might be expected a loud lament has arisen from those who have for years used the food of the nation as poker chips in their gambling operations, and the newspapers quote the president of the Chicago Board of Trade as predicting that the grain exchanges will close rather than submit to the regulation prescribed in the Tincher bill. Such threats will doubtless be taken by the public with several grains of salt, but even if the grain exchanges did seriously consider such a step it seems to me that it would be a confession that they have been conducted more for the purpose of speculation than to furnish a legitimate market for buyer and seller."

Grape Prices

Opening prices of wine grapes for this year were set June 3 at $50 to $90 a ton, compared with $40 to $50 a ton in pre-prohibition days, by the California Grape Growers' Exchange, according to San Francisco dispatch to New York Times, June 4.

Marketing

An editorial entitled "Marketing Only One Factor," in The Iowa Homestead for May 26, says: "Economical marketing is a very important factor in the farming business... But the marketing is not the only thing the farmer needs to concern himself about. Economy in production is equally important, if not more so. Let us never lose sight of this important fact... It is a well-known

(Cont'd on page 5.)

Marketing (Cont'd

fact that one-third of the dairy cows throughout the United States do not pay for their board, to say nothing about the cost of milking, housing and otherwise caring for them. One-third of the cows make a profit and the other two-thirds just about break even... This is not written with the idea of mimimizing the importance of improving our marketing systems. Work in that line should be supported to the limit by every farmer, but we do wish to emphasize the necessity of better farm management, the need of putting efficient business methods back of production."

Pure-Bred Livestock

"Pure-bred cattle will differ from market cattle in price and direction of prices to the extent to which a man is willing to back his judgment of pedigrees with his money. Breeders who are familiar with the ancestry of an animal are capable of determining to their own satisfaction just what the chances of transmission of the good type are, and they can afford to pay as much for an animal carrying the desired pedigree as they wish, depending on the degree to which they trust their own judgment... Such a period of inflated prices as we passed through during the war represented really overconfidence on the part of individual breeders in their ability to produce seed stock of a given value from animals representing given pedigrees... The reaction from which we now suffer is, to a certain extent, just as psychological, since the very men who were confident of their ability 12 or 24 months ago are now distrustful of their own judgment." (From an article on "Fat Cattle Prices and Pure-Bred Values," in The Breeder's Gazette, May 26.)

Waterway Transportation

An editorial entitled "Open the St. Lawrence," in Northwest Farmstead, June 1, says: "The saving of freight on one product alone, grain, in three years time, would pay the cost of opening the St. Lawrence River to ocean navigation. The engineers of the Joint High Commission reported recently that the project could be completed in four years, and at a cost of $250,000,000, half to be paid by the United States and half by Canada. What water transportation would mean to the Northwest is indicated by the spread in farm prices between the East and the West." After quoting Bureau of Crop Estimates figures, the editorial continues: "That is what high freight rates are doing to producers and consumers. Open the St. Lawrence River and we can ship by water to New York, Baltimore, Boston, Philadelphia, Wilmington, Charleston, New Orleans, San Francisco and Seattle. Once on the water distance doesn't count."

Wool in Canada and the Tariff

The Fordney-Young tariff was effective in stopping practically all shipments of Canadian wool to the United States. It seems to have had little effect on Canadian sales generally, because practically all surplus stocks had been moved. The Canadian wool trade is now looking to the development of a wider sale of Candian wools in Canada. The possibility of marketing the surplus of down and longer - stapled combing wools in Britain will be closely studied. (N. Y. Daily News Record, June 2.)

Wool Sale by War Department

The War Department announces that it will sell in Boston, on June 23, 5000,000 pounds of low-grade wool at public auction.

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Vol.1, no.62 June 6, 1921.

Representatives of various farm organizations, elevators and grain dealers, insurance companies and other associations interested have been invited to confer in Washington June 13 with Secretaries Wallace and Hoover to discuss a comprehensive program to aid in the marketing of grains on a basis which will bring relief to the producers.

The proposal, according to the announcement made yesterday, is to provide a method by which unlimited storage facilities for his grain can be given to the farmer and he can receive a warehouse certificate in such form and under such conditions that it would pass as an order for delivery of the grain. It would thus greatly increase his borrowing power and would relieve him of the necessity of selling his grain except at his own option. (Press of June 6)

The Senate Agriculture Committee June 4 struck out all of the House bill for packer control legislation and substituted the measure as agreed upon in committee and will report it in that shape. (Press of June 5)

Nineteen Senators of the new agricultural "bloc" June 4 agreed upon legislation designed to bring about reduction of Federal rediscount rates and time extension of loans on agricultural paper. (Press of June 5)

Immediate enactment of legislation authorizing the War Finance Corporation to advance $50,000,000 to relieve the emergency which threatens the livestock industry is recommended by the Federal Reserve Board in a statement made public last night by Governor W.P.G. Harding just before leaving Washington for a two weeks' trip through the cattle-producing sections of the West.

Emphasizing the fact that the financial emergency which menaced the country during 1920 was definitely passed, and declaring that the banks are well equipped to meet the needs of agriculture and industry, the Reserve Board points out that the livestock industry is in urgent need of loans of longer duration than the banks are permitted to extend. (Press of June 6)

"Agrarian Bloc in House"

"A bloc has been formed in the Senate to promote legislation desired by and beneficial to farmers. This group is from both parties and constitutes a sort of agrarian party within them. A similar agrarian bloc is said to be forming in the House for cooperative action. No new measures are contemplated, but merely a concerted effort to push through those already introduced. Even more than the emergency tariff, which is now a law, the farmers need two forms of relief. One of them is broader credit. It is common report that many substantial farmers with fine properties and many of less financial substance are threatened with the loss of all their years of industry through inability to renew loans. . . . Another relief sadly needed is a reduction or some other quite radical readjustment of transportation rates which will reflect in prices on the farm. The level increase of freight rates without regard to the ability of the subject of the rate to pay, was a grievous mistake. The same rule which applies to taxes should govern as to transportation rates. They should be graded according to the ability to pay." (From editorial in Washington Herald, June 6.)

American Farm Bureau Federation

The American Farm Bureau Federation has more than a million members and is growing at the rate of 50,000 members a month. In the last six months 307,713 new members have been recruited. There were 869 county farm bureaus on Dec. 1, 1920, and 1,473 on June 1, 1921. (A.F.B.F. Weekly News Letter, No. 22.)

California Citrus Men Aided

As the result of a new banking arrangement just put into effect the growers of citrus fruits in Southern California will be given the benefit of a return on their shipments five days earlier than has heretofore been the case. The new plan was suggested by W. J. Doran, vice president of the Citizens National Bank of Los Angeles. Under this arrangement the various agencies of the California Fruit Growers Exchange throughout the United States and Canada will include in their telegraphic reports of moneys received in payment for shipments from Southern California the amounts they have deposited to the credit of the exchange. Further details of the system are given in The Journal of Commerce, June 4.)

Chinese Eggs to Canada

Reports from Vancouver indicate that United States legislation against Chinese eggs will very seriously affect Canada. At the present time there are large consignments of Chinese eggs on the way to the Pacific coast, and it is more than likely that all these cases will be diverted to Canada, where regulations are particularly lax. (Jour. of Commerce, June 4.)

Cooperative Marketing

In an editorial on cooperative marketing of agricultural products, American Agriculturist for June 4 says: "If the high cost of marketing can be taken out of the present system of marketing, the producer will have his business put on a profitable basis and the consumer will obtain what he needs at a lessened cost. What a field for development! It is the great problem - the elimination of waste, the reduction of unnecessary middlemen, the marketing of products cooperatively."

Dairy Products on the Farm

"Making Dairy Products on Farm: A vital Question at this Time to Every Dairyman," is the title of an article by Prof. H. E. Ross in American Agriculturist for June 4, which covers the various details of the situation in the interest of profit to the farmer.

Finland Co-operatives

Finland owes its agricultural progress to the development and growth of agricultural cooperative associations. The dairy co-operative societies have in hand almost all the production and exportation of butter. Small farmers, by making use of them, can use steam or electric threshing machines and profit through modern improvements. Finland owes its position as a large exporter of butter to these cooperative societies. Before the war the exports of butter amounted to 12,000,000 kilograms representing an amount of 35,000,000 marks. (L'Economiste Francais, Apr. 16.)

Freight Rates

An editorial in the Montana Farmer for June 1 says: "Freight rates out in Montana are now so high that, if continued, they will put out of business a considerable proportion of the agriculture of the state. On bulky commodities shipped to the Mississippi valley, the railroads take more out of the final price paid than the farmer gets. Farm production cannot continue here as long as it is conducted solely for the benefit of the railroads themselves. If freight rates continue to be confiscatory, then the farmers will not grow crops here for the railroads to move."

Fruit Growers of Illinois Organize

Sixty fruit and vegetable growers of Southern Illinois, representing 9 local marketing associations and 30 shipping points, met at Centralia June 1 and decided to form a non-stock, non-profit corporation to be known as the Illinois Fruit and Vegetable Growers Exchange which will act as a selling agency for the local marketing associations. This exchange is organized on practically the same lines as the California fruit exchanges. (Ills. Agric. Assoc. News Letter, No. 55.)

Government Boards and Business

"Without doubt Congress will act favorably upon the recommendation of Secretary Hoover that the Federal Trade Commission act be amended so as to give that body the power to advise business men in advance what might constitute the violation of law. Similar authority should be given the Food and Drugs Commission of the Department of Agriculture. The present practice is that it is impossible to get an advance view so that the business man must go ahead and take all the chances, while the manufacturer of food and drugs, with the best intentions in the world, must wait until he has committed a violation, or is suspected of it, before he knows exactly where he stands." (From editorial in N. Y. Commercial, June 4.)

Government Reorganization

In an article entitled "Reorganizing our Government Machinery," in the Scientific American for June 4, C. H. Claudy endeavors to point out in the necessary reorganization of the Governmental agencies the "great opportunity for Congress to do the wrong thing if not wisely guided." He presents a number of specific instances showing that the scheme of grouping together indiscriminately all (cont'd on page 4.)

Government Reorganization

(Cont'd)
agencies doing similar work is not necessarily sound in every case. He says, in part: "Our scientific activities are too important to be man-handled in ignorance and too vital to our welfare to be tampered with without great consideration." He cites the case of the advocated Department of Education, saying: "Undoubtedly it could, and should, look after educational matters which are educational first, and of special effect afterward. But to take the agricultural education of farmers out of the hands of the Department of Agriculture. . . . would be a stultification of purpose for the sake of economics of purse."

Grain Trading

1. "In a desperate effort to prove to the House at the hearing before the committee of the whole of Bill No. 283 Tuesday that farmers of the state opposed the Lantz bills, the Chicago Board of Trade brought to Springfield one of the hugest armies of paid lobbyists - alleged to be farmers - ever seen at the state capital. . . . It is declared one Board of Trade man estimated the cost of the day's bought lobby at not less than $60,000. It was a halcyon day for the hungry of Springfield and nearby towns. . . . 'The farmers fed the hungry of Europe with their gift corn, and it seems that the Board of Trade is today feeding the hungry of Illinois,' one Capitol wit is reported to have said." (Ills. Agric. Assoc. News Letter, No. 55.)

2. "President Griffin gave a two-hour address for the opposition," according to a report of the proceedings of the Illinois Legislature on the Lantz bills, in Illinois Agricultural Association News Letter, No. 55, of date June 2. "Of the two hours he spent exactly nine minutes in discussing the bill that was the subject of the hearing. The rest of his time he spent in evading the issue by hurling bitter personalities at all county farm advisers, at C. V. Gregory, at the U. S. Grain Growers, Inc., at officials of the I. A. A. and anybody else remotely connected with organized farmers. He dilated benevolently on the philanthropic interest of the Board of Trade in trying to save the farmers from their own mistakes. . . . A. C. Everingham, of the I. A. A. grain marketing committee, gave one of the most brilliant addresses heard. His rebuttal of hard argument and cold facts destroyed much of the impression made by Mr. Griffin's barrage of personalities."

3. "The Chicago Tribune and the Chicago Herald and Examiner have taken the lead as purveyors of Board of Trade propaganda. In utter disregard of all newspaper ethics, their 'news' articles are so prejudiced against the organized farmer that any impartial observer could see that they are not fit to be relied upon as news. The Associated Press, the United Press and most downstate papers have, on the other hand, shown themselves quite fair and unbiased on either side." (Ills. Agric. Assoc. News Letter, No. 55.)

Transportation

According to shipping authorities, the facilities of the Los Angeles harbor have saved the wool growers of Utah and Arizona thousands of dollars in freight rates. This was brought out following the sailing of the steamer Artegas with forty carloads of fleece aboard. (Jour. of Commerce, June 3.)

Department of Agriculture

1. An editorial in The Price Current-Grain Reporter for June 1, under the title "Will be Regulated", says in part: "The grain trade in the lobbying game has no chance whatever against the farmers' many organized bodies at Washington, assisted by the directing genius of the Agricultural Department. The head of that Department is the acknowledged author of the Tincher bill in its present form. He will be responsible for its operation should it become an act. He has assumed that in advance. The grain trade will be quite willing to let him carry this self-imposed responsibility. It ought to insist that he shall be held to the responsibility he has himself invited, with the consequences of probable failure. The trade will oppose the bill to the end as a fallacy and as a piece of mischievous sentimentality. ..."

2. In its review of business and trade conditions, The Price Current-Grain Reporter for June 1 says, in referring to President Harding's recent address before the Academy of Political Science: "The President said that this school believes that 'autocratic authority may well be exercised in the general interest.' We know that it believes, at least its representatives in Congress believe, that the economic organizations of society can be transformed and all problems, natural and artificial, solved by 'letting the Government attend to it' - for a class: specifically, let the Secretary of Agriculture make rules and regulations for the control and restraint of the persons who buy and sell live stock and grain and who manufacture and distribute the products and by-products of the manufacture of these raw food stuffs, and all the people will be made prosperous, contented and happy. The Secretary, or a group of lawyers in his office, who have had no practical experience in the buying, selling or manufacturing of these products on a large scale, can say, as Rollin E. Smith of the Bureau of Markets on Saturday last said to the Senate committee on Agriculture, that 'market prices for grain are entirely controlled by the big speculators at times.' And although this is a mere statement, what could be easier than for the Secretary of Agriculture to say, 'I will therefore under this act assume and exercise control over the big speculators'?"

3. "There will be a getting together in the near future of representatives of business and commercial interests of the nation who are opposed to the radical legislation by Congress, under pressure of the farm and labor organizations. These class interests are rapidly forcing upon the people through Congressional legislation a change in the fundamental constitution of our Government, which sooner or later will take the initiative and conduct of all private business out of owners' hands and put it under the control of Government department bureaus, on the socialistic plea of 'investment with public interest.' The Kenyon-Kendrick and the Tincher bills, giving the Secretary of Agriculture and the Bureau of Markets' many lawyers and pseudo-experts practical control of the live stock, meat packing and grain interests, are a precedential threat at all other lines of private business, the conduct of which the farmers, labor or other classes might desire in their own interests to put under Government control, as the farmers are forcing the bills named in their exclusive interest." (From editorial, "Getting Together," in Price Current-Grain Reporter, June 1.)

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Vol. 1, no. 63. June 7, 1921.

Section 1.

Government Loan to Livestock Industry

Referring to the recommendation of the Federal Reserve Board that Congress authorize the War Finance Corporation to make loans aggregating $50,000,000 on long-time paper to relieve the threatened emergency in the livestock industry, the Washington Post says in an editorial today: "It is pointed out that live stock paper is now eligible for rediscount at Federal Reserve banks, but not for a longer period than 6 months. These loans are too short to meet the situation, and consequently relief measures lie between amending the Federal Reserve Act to provide for longer loans and financing through other means. The Board does not approve of the suggestion for the amendment of the Federal Reserve Act, but believes the necessary help can best be extended through loans by the War Finance Corporation, to run not longer than three years.

"The public has a very direct interest in this and other phases of the agricultural industry, since a serious curtailment of production, either in live stock or in cereals, will result in increased prices of food which the public can ill afford to pay. Consequently any practical steps which can be taken to relieve the situation are justified, providing they are accompanied by a thorough understanding that the Government is not embarking upon a policy of financing private business."

Farmers and Banks

Referring to the above subject, The New York Times says in an editorial today: "It seems impossible to convince the farmers that they are not discriminated against. Yet the record shows that extreme liberality of credit caused the prices from which the fall measures the farmers' losses. There are billions of unused credit in the mounting reserves. If all were given to the farmers the result would be such an increase of prices for farm products that 106,000,000 consumers would inherit the distress of the farmers, and that a general collapse would follow.

"Argument is wasted on all quarrels with prices. Action is what economic deadlocks call for, and the Federal Reserve tells what it thinks should be done for the farmers. The law should not lengthen the term of rediscount to one or two years. As producers the farmers should have all the accomodation they need, since the larger the next crops the greater the depression of the unsold old crops. ..."

Section 2.

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The first of the Arkansas road district cases to reach the Supreme Court has been decided, and the decision is a victory for the appellants from the decision of the Arkansas courts, which had held the Road law to be a valid enactment. The case was that of the Kansas City Southern Railway Company and the Texarkana & Fortsmith Railway Company versus Road Improvement District No. 6, in Little River County, Arkansas. The railroad property was within the taxable zone, and it was taxed on the basis of $7,000 a mile for 9.2 miles of track, a total of $67,900, this being the money value of the "benefit" that the Road Commissioners decided would accrue to the railroad as a result of the construction of a gravel road 11.2 miles long.

The decision of the Supreme Court was unanimous, and was handed down yesterday by Associate Justice McReynolds, who declared it to be the opinion of the Supreme Court that "the statute under consideration prescribed no definite standard for determining benefits upon proposed improvements," and that in this case, which the Arkansas Courts had held to be within the law and valid, "we think the discrimination so palpable and arbitrary as to amount to a denial of the equal protection of the law." (N.Y. Times, June 7.)

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An editorial entitled "Summer Work for Agricultural Committee," in Wisconsin Farmer, May 26, says: "In nine cases out of ten the county agents who have failed to please their constituents are ones who have not had the combined wisdom and support of a good working committee of farmers who represent all kinds of live stock and all types of farming. Take any ambitious and zealous young man, and put him at a county agent job with all its perplexities facing him - what will be his natural move? First, to organize a working advisory and administrative committee, a sort of unofficial farm bureau. In case that fails, through local listlessness, then naturally he must 'go it alone' and thereupon he will turn his thoughts to the lines he likes best, and in which he is most capable of rendering assistance. Hence we urge all counties to remember the logic of the well-organized county committee."

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"Cream Grading and How it Works," is the title of an article by Prof. M. Mortensen, in The Creamery Journal for June 1. In this the author declares that war prices and the strong demand have been a detriment to quality and that present conditions demand grading. He says: "Many disappointments have come to us after the war. During the war anything could be converted into money ... The optimist maintained that prices would not be any lower and that it would be the wisest thing for us all to get into the bandwagon. ... The creameryman was tempted by the same arguments. There was a great demand for butter. Europe was starving for fats and it was not so much a question of securing a fancy product as it was securing a product composed of fats. Therefore all kinds of butter sold at high prices. ... As a result of this campaign for business extension, it is evident that the dairy business as a whole did not benefit and that we were not at all prepared to meet the problems confronting us after the war. European butter of high quality found its way into the American market. ... To the credit of our Iowa creamery operators, it should be stated (Cont'd on page 3.)

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that they have not been slow in meeting the situation. They as a rule realize that 'quality' is the salvation of our dairy industry. The Iowa State College is at present conducting monthly cream scoring contests in 20 Iowa creameries with several creameries on the waiting list. ... This and other similar lines of work have already produced most encouraging results."

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"If butter substitutes possessed the merit that is claimed for them by well paid advertising writers and legislative lobbyists, the restrictions placed upon their manufacture and sale would have been removed long, long ago. If the oleomargarine business is the victim of persecution, as its sponsors claim, it is strange that it does not find relief. A number of hearings have been held before Congress, and various state legislative committees have conducted hearings. The best brains available have presented the claims of the oleo interests. Laws governing the production and sale of the product have, as a rule, remained in force or been strengthened as a result of these hearings. What is the answer?" (Editorial in Butter, Cheese and Egg Journal, June 1.)

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"The service that the farmer renders to society is generally recognized and acclaimed, but the profit that it yields is thus far relatively small, largely because what ought to be the most profitable business in the world is made unprofitable by the reluctance of those who are engaged in it to adopt new methods and be truly cooperative instead of intensely individualistic. ... There is need of greater cooperation between farmers, and especially the farmers of the cotton states." (Theo. H. Price in Commerce and Finance, June 1.)

d Rationing
ed in Italy

All restrictings on the trade in prime necessitites of life have been removed by a decree issued by the Italian Ministry of Food. The rationing of rice, bread and other food products has been abolished. (Press of today.)

des and Prices
Butter

An editorial, entitled "Grades and Prices," in the Ohio Farmer for June 4 says: "Authorities declare that of all the butter manufactured only about 10 per cent scores 92 or over, the grade for which quotations are usually given. The Elgin dairy report says this works a hardship on the consumer, who, in 90 per cent of the cases, pays top prices for an inferior or medium quality product. They say it also works a hardship on the creamery which pays top prices for butterfat and then turns out butter of a medium grade. ... This condition is also true of the butter market and of a great many other commodities in which the farmer is interested."

in
ding

1. Representatives of the Chicago Board of Trade before the Senate Agriculture committee June 6 said enactment of the bill to check trading in grain futures would tend to monopolize all grain tradings in the hands of farmer cooperative associations. (Press of June 7.)

2. "Threats of grain exchange officials to the effect that grain trading pits will be closed in the event that the Capper-Tincher bill becomes a law, are not likely to have the effect intended by these officials. They do not seem to be frightening anyone except the (Cont'd on page 4.)

Grain Trading (Cont'd)

2. traders themselves. These threats seem to be caused primarily by the clause in the bill which provides that reports shall be made to the Secretary of Agriculture, 'showing the details and terms of all transactions, ... In making such strenous opposition to this portion of the bill, public curiosity is aroused, naturally, as to why grain exchanges do not wish these facts connected with the business of their members made public. A statement by Congressman McLaughlin of Nebrasl on this subject, is to the point. 'My own opinion is that no grain exchange will close down if the Tincher bill is enacted into law,' he says. 'Such declarations at this time are in the nature of pure bluff but should any or all of the exchanges rather close down than submit their transactions to the light of publicity, then I suspect that the American farmer and local grain dealer would say, let them close.'" (From editorial entitled "Why Fear Publicity?" in Nebraka Farm Journal, June 1.)

Lard Substitutes

An editorial entitled "The Trouble Over Lard Substitutes," in Rural New Yorker for June 4, says: "It is true that about every good thing is sooner or later imitated. The farmers have tried to imitate butter by substituting, wholly or in part, cheaper animal fats in the manufacture of their product. Now these imitators are being imitated, and what a howl they are setting up. When the dairymen complained of the competition of the oleo makers, the latter only laughed; yes, even sneered. ... The war created a huge export demand for lard and prices soared. ... This led to the manufacturing of substitutes for lard. As long as the packers could sell all their lard at a good profit they were little worried about these substitutes. ... When the demand for lard fell off the packers found themselves facing the same situation that has for years faced the dairyman; that is, a competing product that was selling at a lower price, and which was selling in such large quantities as to make great inroads into their trade. ... Forgetting, or assuming the public had forgotten, the vast sums of money expended in various ways to exploit oleo, these men are now whining about the methods used to induce the public to buy lard substitutes."

Ontario Plans Agricultural Exports

Reports from Toronto state that investigation of transportation and cold storage facilities with a view to promoting the export of Ontario fruit will be undertaken by a special committee of the legislature that had its commission renewed last session. (Jour. of Commerce, June 4.)

Purebred Live Stock

1. "The cooperative bull association is a companion enterprise of the cow testing association in the sense of both having common objects - that of upbuilding the dairy herd. The organization employing a cow tester is probably a more direct agency for improvement, inasmuch as the low producer of the herd is forthwith discarded if production records do not favorably tally with the outgo for feed. Joint ownership in the purebred bull signifies a refining process frequently slow of development, but none the less certain of results." (From article by S.R. Winters in Farm and Ranch, June 4.)

2. An article on purebred live stock by H.P. Miller, entitled "Enthusiasm and Results", in The Ohio Farmer for June 4 says, in reference to purebred stock in boys' and girls' clubs: "Arousing

(Cont'd on page 5.)

Purebred Live Stock (Cont'd)

2. interest on the part of boys and girls in good live stock is admirable but as Murray D. Lincoln says of the commercial activities of the Farm Bureau, there is dynamite in it. Or, perhaps an even more applicable figure is to say that it is a two-edged sword. Several boys in my own neighborhood were induced to join a Shorthorn calf club last spring. They were promised that a public sale would be held for them in the fall. Their anticipations were wrought up over the big prices their calves would bring. Many of the calves were fit for the international show, but in some instances the calves did not bring half what the boys had paid for them. The sword cut the wrong way and it has destroyed all interest in fancy live stock on the part of those boys. ... Not more than one boy out of 10 who invests in registered calves will ever be able to sell their offspring for more than the price of grades. But, further, not over half the heifers no matter what the breed, will prove good enough to retain their offspring for breeding purposes."

Research Work in British Colonies

The recently increased provision for research work in the United Kingdom authorized by Parliament attracted the attention of the Colonial Secretary to the need of research as a means of developing the economic resources of the British colonies and protectorates, and the result of his interest has been that Parliament is being asked to devote the sum of 100,000 pounds in all for overseas research work, the appropriation to be spread over a number of years. A Colonial Research Committee has been set up, and proposals have been received respecting matters in the seven colonies which give promise of yielding satisfactory returns in exchange for the anticipated activities of the committee. Commerce Reports June 3 gives further details upon this subject.

Truth-in-Fabrics Bill

Passage of the Capper-French Truth-in-Fabrics bill, John P. Wood, president of the National Wool Manufacturers Association, said before an investigating committee in Congress yesterday would give a "sort of legislative sanction to inferior grades" and would benefit only the wool grower and not the consumer. (Press of June 7.)

Section 3.

Department of Agriculture

An editorial in New York Commercial, June 6 says: "While the policy of the administration is definitely announced by the President to be less interference of Government in business, Congress is going ahead to carry out just the opposite course in preparing to pass the Packers' bill. The farm organizations are demanding more teeth in the bill, but object to the Department of Agriculture being the supervising agency. They think that department ought to go on with educational work and prefer a separate commission, although they would be quite satisfied to have the control placed with the Federal Trade Commission. We are presumably to have the spectacle of theorists and amateurs telling one of the greatest business organizations in the country how to run its business. Let Congress lay down rules for general guidance without attempting management of big business by little men."

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 64. Section 1. June 8, 1921.

Secretary Wallace on Crop Stabilization

The period of "agricultural exploitation" is practically at an end, Secretary Wallace said last night at a dinner given by the Standard Farm Papers Publishers Association to a group of New York business men. If production is to be maintained, he declared, every effort must be made to put agriculture on a thoroughly sound basis, in order that "the farmer may be able to get prices for his products which will give him a fair rate of interest on the money he has invested and a fair labor wage." Constantly increased production will not alone accomplish this end, Mr. Wallace said, but must be supplemented by better methods of distribution which will give the consumer in the city the farm products with less waste and at less "relative cost." (Assoc. Press, June 8.)

Secretary Wallace Defends Grain Regulation

"Secretary Wallace, in answering criticism because of his stand for regulation of grain exchanges and the packing industry, last night told members of the Standard Farm Papers Publishers Association that the exchanges and the packers were essential but that they should be regulated to prevent unfair practices. 'The system of fixing prices on grain exchanges,' said Secretary Wallace,' is the best system of fixing grain prices today. But while I think it is the best system of fixing prices, I think every one knows they have been guilty of gross abuses in manipulation. Hordes of parasites have developed around the business. I believe that they must be regulated to prevent unfairr practices, but we must do nothing to interfere with the orderly use of their legitimate functions.' He spoke in a similar vein of the packing industry, citing the stimulus which the packers had given the livestock industry. ... " (N.Y. Times, June 8.)

Secretary Mellon Advocates Farm Aid

Legislation authorizing the Treasury to place $50,000,000 at the disposal of the Federal Farm Loan Board for relief of agriculture interests was advocated yesterday before the House Banking committee by Secretary Mellon. The Treasury now has $6,000,000 on deposit with the Board, and in addition, Mr. Mellon said, is holding $183,000,000 in Farm Loan bonds, for which at present there is no market. Mr. Mellon said he would not favor Government relief to farmers if the farm loan banking system was not established. He told the committee that ample funds can be furnished by banks and private financial interests for other lines of industry. (Press of June 8.)

Section 2.

Agricultural Inquiry Suggested by House

The House yesterday adopted a Senate resolution providing for a general inquiry into agricultural conditions by a congressional commission. (press of June 8.)

Canadian Wheat Tariff

Referring to Canada's new tariff on wheat, the Northwestern Miller for June 1 says: "In view of the recent course of trade, and the prospects for the coming months, this new tariff will make very little difference so far as the milling industry is concerned. In the fifteen months up to the end of March the United States had exported to Canada only 34,509 barrels of wheat flour, as against 1,387,387 barrels imported during the same period; wheat exports to Canada were 15,186,405 bushels, against imports of 46,536,420. ... The significance of Canada's tariff action lies not in the precise effect which the new duties will have, but in the promptness with which retaliatory steps were taken."

Cost of Production

"One of the crying needs of the American farmer today is an understanding of the cost of producing farm products. Very little practical work thus far has been done by the United States Department of Agriculture and the state agricultural colleges looking to the solution of this important problem. Some effort is now being made, but little in the way of concrete results has been secured. ... One of the keys to the situation, in our opinion, is the cooperative work which the county agents should be able to give. We believe a study of the cost of production should be made a part of the county agent's annual project work." (From an editorial in Western Farmer, June 1.)

Cotton

Reviewing the national cotton conference held in New York last week, the Commercial and Financial Chronicle of June 4 says: "It is unfortunate that the main speakers at the conference were those who had expressed dissatisfaction with prices even when the recent extremely high level prevailed - the highest in over half a century - contending that those prodigiously inflated values did not cover cost of production, and taking active part in movements to force prices still higher. ... As we have pointed out from time to time, the present stock of American cotton in the world is very heavy, and with consumptive requirements less urgent than formerly, the carry-over at the end of the current season will be much greater than usual. Under such conditions it is not surprising, regrettable as the fact is, that prices should very materially decline. And it is questionable whether any action the Government might take would improve the situation without the aid of consumptive requirements. The only step, therefore, likely to be of benefit to the cotton planter is the one he is reported to have taken in materially reducing the area devoted to the staple this spring.

The review says, further, "One speech delivered at the conference should sink deep into the minds of those who have been in the habit of ascribing to the Cotton Exchanges about all the ills from which the cotton grower suffers. We refer to the

(Cont'd on page 3.)

Cotton (Cont'd)

remarks of Arthur L. March, on the relation of the cotton exchange to the farmer. In a succinct and convincing way he exploded the idea that cotton manipulators were able to set aside the law of supply and demand, pointed out the signal benefit the exchanges proved to be to the grower during the early war period, and pledged their support in assiting him in obtaining a just price for his product."

Cotton Growing in British Empire to be Aided

Winston Spencer Churchill, Colonial Secretary, addressing the British Cotton Growing Association, June 7, announced that it was the Government's intention to devote a million pounds to foster cotton growing in the British Empire, instead of 50,000 pounds yearly for five years, as formerly promised. (Manchester dispatch to N.Y. Times, June 8.)

Cotton Sought by Rumania

An offer from the Rumanian government to purchase 100,000 bales of cotton has just been received by H.A. Wroe, banker, and R.O. Crosby, cotton factor, of Austin, Texas. This prospective order came as a result of the visit to Rumania of Albert S. Burleson, it is stated. The contract with the Rumanian government would involve $7,000,000. If negotiations under way for consummation of the deal are successful, the cotton will be shipped to Mr. Burleson in Germany and there spun into the finished product. (Phila. Ledger, June 8.)

Egg Pool in New Jersey

New Jersey poultrymen are being asked to join a cooperative marketing association which plans to market the bulk of all the eggs produced in the state. The association will commence business when growers owning 150,000 hens have agreed to market all their eggs through a central organization. According to the N.J. state federation of farm bureaus, there is every prospect that the new organization will begin business on July 1 with an assurance of the product of between 200,000 and 300,000 hens to market. (N.Y. Times, June 8.)

"Farmer-Banker Special"

To stimulate dairy, hog and other livestock interests, chiefly among cotton farmers of Texas, a "Farmer-Banker Livestock Special" train will be operated throughout middle western states during August under the joint direction of the Texas Chamber of Commerce, with headquarters at Dallas, and Texas A. and M. College. Oklahoma, Kansas, Utah, Wyoming, North Dakota, Montana and Colorado will be among the states visited. (Phila. Ledger, June 7.)

Federal Aid to Farmers

1. An editorial in The Washington Herald today regarding the attitude of Congress with respect to Federal aid to farmers says, in part: "Every report which comes from farm territory, without variance, tells of a very critical condition. Here again is a danger of insurgency, if not a wave of radicalism. The farmers have liquidated in the prices of their products, which are back at prewar levels, or below. No farmer dares make a long term loan at such prices for his products, and a high interest rate. His revenues having reached the botton, his carrying charges, which must extend over a considerable period of years, must be on the same level, or he but postpones his day of reckoning. What the farmers most need is this immediate financial relief."

Federal Aid to Farmers

2. "We are being asked to extend long term credits to foreign buyers, long enough to enable them to manufacture the raw material which they would buy from us, sell the finished product and get the money with which to pay us for the raw material, yet it would seem that the producers of this very raw material, our own fellow citizens, should have the first claim upon us for aid of this kind. Just how aid could be extended to the cotton farmers through the Government would have to be worked out along definite lines, but this does not alter the fact that the Government should turn its attention to the cotton problem in an endeavor to prevent losses." (From an editorial on "Federal Aid for Producers" in N.Y. Commercial, June 7.)

3. An editorial entitled "A Subsidy to Cattle Raisers" in The Journal of Commerce June 7 says, in part: "If the idea of a direct subsidy to cattle growers is the price which must be paid by the nation for keeping its banking system free from a type of injury that would prove lasting if not irreparable beside constituting a most dangerous precedent, it may be unavoidable to entertain the suggestion. The cost of the scheme in money is not so great as to put it out of the question. ... There remains the whole question how far the paternalistic spirit or policy is warranted and whether such a policy can properly be granted scope whenever there is suffering or difficulty on the part of industries which find themselves seriously embarrassed."

Government and Business

An article entitled "Government and Business" in The Economist June 4 says, in part: "A distinct disposition on the part of the administration to increase the Government's participation in business affairs has been disclosed recently. Conferences have been held with leading New York financiers, further conferences are proposed, and President Harding has stated his wish to do 'everything practicable to cooperate for the relief of economic conditions.' The administration is reported to be taking the ground that 'the time has gone by for any other exercise of the policy of restricted credit which has been enforced by the Federal Reserve Board for more than a year.' It was not a policy but a necessity. ... Any change of attitude on the part of the Government must be based on the assumption that business activities can be increased by artificial means but artificial devices are always bad in their subsequent effects, and surely nothing has happened yet to indicate a turn in the general tide. When such a change is in evidence business will be able to take care of itself and the Government through its banking system need not concern itself about the matter except to prevent abuses and insist on fair play. ... The worst thing that could happen is a policy under which money would be released to the public contrary to strict banking principles for purposes of private enterprises and speculation. That would be a check on the liquidation now in progress and which must go still further before our affairs are in sound condition..."

Grain Dealers Ask Reimbursement

Southwest grain dealers yesterday asking the House Agriculture committee for relief from losses claimed to have been sustained through the fixing of wheat prices by Government in 1917 declared claims for reimbursement now totaled $5,000,000. (Press, June 8.)

Grain Trading

"Who or what is responsible for crystallizing the sentiment of our producers against the organized exchanges of the country and the greatest grain market in the world, the Chicago Board of Trade? I should say in the final analysis the U. S. Grain Growers, Inc., is the responsible party. ... The men who are at the helm of this organization are old-time agitators, and I shall submit evidence which to me is convincing, that the sponsors of the Grain Growers are responsible for the unrest which prevails in Illinois, and which they hope to spread over the entire country. ... " Rosenbaum Review, June 4, in "A Few Facts which are interesting, significant and educational about a 'movement' as revealed by Jos. P. Griffin, President of the Board of Trade of the City of Chicago, May 31."

Packers Ask Wage Cut of 100,000

A petition asking reduction of wages of nearly 100,000 employees in the meat-packing industries was filed yesterday with Judge Alschuler, of the United States district court at Chicago, by the allied packing interests. The petition asked that the wages of hour workers be reduced 5 cents an hour, and that the same proportionate reduction also be applied to piece workers' rates. The petition cited the changed working conditions, the unemployment situation and that the packers are not earning a profit. (Assoc. Press, June 8.)

Section 3.

Department of Agriculture

"Welcoming Mr. Wallace" is the title of an extensive editorial in The Northwestern Miller for June 1, which says, in part: "The news that the Secretary of Agriculture has accepted the invitation to be one of the speakers at the forthcoming convention of the Millers' National Federation is particularly welcome because of the complex problems just now confronting the grain trade which Mr. Wallace will unquestionably have an important influence in solving. The Department of Agriculture is far more closely related to the welfare of the milling industry than has often appeared to be the case, for, as is only natural, it has at times tended to champion the farmers in matters wherein shortsightedness and the failure to consider all phases of the questions involved have resulted in decisions directly inimical to the millers, and in the long run disadvantageous to the farmers themselves. ... The Secretary of Agriculture possesses a very great potential influence in strengthening and improving the understanding between the farmers and the millers. If he himself is clearly conscious of the need for closer cooperation between them, and understands how, in the end, neither can prosper alone, he has extraordinary opportunities for making his beliefs effective. He can, indeed, become the strongest connecting link between the wheat grower and the man who makes his grain available for consumption, ... That Secretary Wallace intends to make his department of real and great service in aiding cooperation is clear from what he has already said and done. ..."

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Vol. 1, no. 65. Section 1. June 9, 1921.

Permanent Farm Policy From Senate Act

Development of a permanent agricultural policy for the United States is expected to result from the sweeping investigation by the joint commission of agricultural inquiry created under the Lenroot resolution, which became a law yesterday. The subjects to be investigated are: 1. Causes of the present condition of agriculture. 2. Cause of difference between prices paid to producer and ultimate cost to consumer. 3. Comparative condition of industries other than agriculture. 4. Relation of prices of commodities other than agricultural products to such products. 5. Banking and financial resources and credits of the country affecting agriculture. 6. Marketing and transportation facilities.

Senator Lenroot, author of the resolution, pointed out that much of the work of the commission will be in correlating the great mass of information already in the hands of the Federal Trade Commission and the Department of Agriculture. He stated that separated this information is useless, but woven together it will give Congress authentic facts concerning all conditions affecting agriculture and the causes of the special burdens. "One of the chief things we hope to do is to fix the responsibility for profiteering. To do this we will trace agricultural products from the producer to the consumer," he said. (Press of June 9.)

Grain Man Proposes Limit On Speculation

Amendments to the Capper-Tincher bill to regulate future trading on grain exchanges, under which the definite limit on speculative trading would be removed, were proposed yesterday to a Senate committee by F.B. Wells, a Minneapolis grain dealer. The amendments would give the Secretary of Agriculture authority to limit speculative trading to such a degree and for such periods as he might deem necessary. Mr. Wells said the amendments had been agreed upon by the Department of Agriculture and dealers. He declared that speculative interest in grain exchanges served chiefly to stabilize and average up prices through the year, adding that exchange interests did not want the efficiency of the present system damaged. (Press of June 9.)

Federal Aid For Agriculture

"Every single farm product has struck the bottom of prewar prices. Wages have not, manufactured goods have not, wholesale prices have not, retail prices have not, building prices and rents have not, and transportation remains at the war peak. Of the average reduction in the cost of living, that on farm products provides the bulk. ... Having appropriated, or intending to appropriate,

(Cont'd on page 2.)

Federal Aid For Agriculture (Cont'd)

nearly $1,000,000,000 for armament alone, can Congress refuse to grant to the farmers of this country the temporary credit absolutely essential to their solvency? In case of war farm production is as necessary as guns and a navy. Upon farm solvency all other forms of preparedness rest. ... The farmers do not ask a dollar as an appropriation. They ask no gift. They only ask for credit for which they must give security satisfactory to the Secretary of the United States Treasury. That security is so much better than that upon which rests the estimated $4,000,000,000 of credit extended to Europe, that there is no comparison. ... Why should this Government extend credit, or authorize and encourage it, to all foreign peoples and deny it to our farmers?" (From editorial in Wash. Herald, June 9.)

Section 2.

British Farmers To Lose Subsidy

"Sir A.G. Boscawen confirmed the news stated yesterday that the British Government had decided upon the pratical repeal of the Agricultural act, not yet six months old, in respect of its guarantee of minimum price for wheat and oats, a minimum wage and control of cultivation by the state. His statement struck with consternation the representatives of farmers and workers alike and brought upon the Minister of Agriculture an avalanche of questions. He took refuge from them in the excuse that the cumulative effect of the agricultural subsidy was more than the country could afford." (N.Y. Times, June 9.)

Canada's Crop Values

The value of all field crops produced in Canada for the year ended March 31, 1920, was $1,812,915,500 and the value of dairy products $247,531,352. The number of horses in the country is given as 3,667,369, the number of milch cows as 3,548,437, other cattle as 6,536,574, sheep as 3,421,958 and swine as 3,040,070. During the year, 3,788,138 pounds of wool were graded by farmers' cooperative organizations. The dairy butter industry has increased during the past decade from 5,578,304 pounds to 25,356,711 pounds. (Jour. of Commerce, June 8.)

Cooperative Breeding

"Cooperative Breeding," is the title of an editorial in The Iowa Homestead for June 2 which outlines a method by which farmers may acquire purebred stock at little or no cash outlay. It says, in part: "Purebred cattle will be needed in the future as much as they have been needed in the past. ... In fact it is safe to say that there will be a greater demand for purebred stock of all kinds from now on than there ever has been before, because economy in production will become a more important factor as competition in live-stock production increases and land values rise. ... It may interest both breeders of registered cattle and prospective buyers thereof to hear of an excellent plan that has been recently adopted by the Holstein-Friesian breeding establishment, Hargrove and Arnold, of Norwalk, Ia. Their plan is a constructive one and will undoubtedly prove of great value in furthering the breeding of Holsteins in this and other states." The plan, involving the purchase of cows by 8 per cent interest-bearing notes by farmers and the repurchase by (Cont'd on page 3.)

Cooperative Breeding (Cont'd)

dealers of all bull calves, with other details of transaction, is described. The editorial says, further, "Thus the farmer gets his cows without any outlay of cash and by the time they are paid for he will have a substantial herd of registered females."

Canners' Situation

The present financial condition of the canner is even more serious than that of the farmer, Harry P. Strasbaugh, president of the National Canners' Association, told the National Retail Grocers' Association at Kansas City, June 7. Mr. Strasbaugh placed the loss to the canner from deflation at between $100,000 and $200,000 in the last twelve months. (Jour. of Commerce, June 8.)

Cooperative Marketing of Virginia Tobacco

"Halifax Co., Virginia, has gained close to 2,000 tobacco growers in a campaign that is gaining momentum as the local units which won their campaign for curtailment are awaking to the immediate need of cooperative markets. ... The secretaries of 120 locals which signed up 5,700 out of 6,000 growers for curtailment of their crop of 1921, foretell a sweeping victory for the plan which promises them permanent relief. ... Backing the movement of tobacco farmers to market their crop like business men, chambers of commerce or groups of bankers continue to indorse the plan for cooperative marketing."
(The Progressive Farmer, June 4.)

Cotton Marketing

"The whole South is now on fire with enthusiasm for cooperative marketing. Oklahoma led the way with more than 400,000 bales of cotton actually signed up. Mississippi has about 250,000 bales signed up. Texas will have a million bales signed up in the next few weeks. Arkansas and Georgia are getting their plans under way, South Carolina is sure to get its 400,000 bales, and North Carolina is equally confident of victory. ... The farmers all over the South have been put in fine fighting spirit by the recent visit of Aaron Sapiro to the most important southern centers." (From editorial in The Progressive Farmer, June 4)

Cotton Purchase Fund Asked

President J.S. Wannamaker, on his return from the conference on the cotton industry recently held in New York, stated that he had "laid before the national officials and our law-making body a request that the funds now on deposit with the United States Treasurer, which accumulated through the sale of cotton seized by the United States Government from planters and from business men in the South during the war between the states, be utilized as a revolving fund for the purchase of cotton until the markets can be opened for same." He stated, further, that "it has also been urged that the alien property fund on deposit with the Treasury Department seized during the World War be loaned to be used for the purchase of cotton until the markets can be opened for same." (Jour. of Commerce, June 8.)

Dairying In Denmark

The Royal Danish Veterinary and Agricultural College, Copenhagen, has announced its intention, as from September 1 next, to extend the scope of its operations by introducing a new course for instruction in dairying. The matter has been planned by the different dairy organizations in Denmark. The Danish Foreign Office Journal for May gives details.

Danish Agricultural Produce Exports

The statistical department of the Danish Cooperative Committee has issued a report concerning the export of Danish agricultural produce, during the period January 1 to April 15, 1921, which appears in Danish Foreign Office Journal for May.

Danish Agriculture

A comprehensive review of agriculture in Denmark during the war is given in the reprinting of a speech delivered before the National Economic Society in Copenhagen, by the Danish Minister of Agriculture, in Danish Foreign Office Journal for May. He says, in part: "A closer investigation of the remmerativeness of agricultural production presents very great difficulties, and the results obtained will always be involved with uncertainties. In the first place we encounter the difficulty, very often discussed, that book-keeping stands on a very insecure footing. This is much to be regretted, for actual results as shown by conscientiously kept accounts provide the only criterion for judging the conditions under which an industry is operated. ... It is not any the less unfortunate that the largest and economically the most important activity of our country is so poorly elucidated through book-keeping."

Farm Bureau and County Agent

Referring to a memorandum of understanding signed by J.R. Howard, president of the American Farm Bureau Federation and A.C. True of the States Relations Service of the Department of Agriculture, an editorial in The Nebraska Farmer, June 4 says: "This really is about the only stand the Department of Agriculture can take without arousing a great deal of opposition on the part of so-called regular business. The taxes which pay the salary of the county agents come from all the people. The merchants in the towns pay a portion of these taxes. If the county agent, supported by public funds, should spend his time conducting a mercantile business for the farmers, the merchants would have a just right to complain. They have no right to complain, however, when an agent of the Government gives the most up-to-date information on the best methods of operating a co-operative enterprise any more than the farmer has a just right to complain if an agent of a state government assists a merchant in putting his business on a proper basis. It is the business of a government to assist in the elimination of waste and friction wherever found."

Food Price Drop

Statistics made public yesterday by the Department of Labor on retail prices in 13 cities show that the retail cost of food decreased slightly from April 15, 1921, to May 15, 1921. During this period the report states that the retail cost of food in Detroit dropped 4 per cent; in Chicago, Pittsburgh and Scranton, 6 per cent. For the year period, May 15, 1920 to May 15, 1921, the retail cost of food dropped 29 per cent in Scranton, 31 per cent in Pittsburgh, and 36 per cent in Detroit. For the 8-year period, May 15, 1913, to May 15, 1921, the retail cost of food shows an increase of 41 per cent in Cleveland, 44 per cent in Pittsburgh, 46 per cent in Chicago, Detroit and Kansas City, 48 per cent in Boston, and 51 per cent in Scranton. (press of June 9.)

Foot and Mouth Disease Cure Reported

"The method by which Professors Vallee and Carre hope to effect a permanent immunization of cattle against the foot and mouth disease was described at the French Academy of Sciences June 7." (Paris dispatch to Journal of Commerce for June 8, which describes the method.)

Freight Rates

Trans-continental railways announced at Chicago June 7 a reduction of rates on carload shipments of vegetables, melons and apples. A new rate of $1.75 a hundred pounds on vegetables and melons from Pacific Coast terminals and intermediate points of destination east of Chicago and the Mississippi River, will be made effective at the earliest possible date. A rate of $1.50 a hundred pounds on apples, without storing-in-transit privileges, will be made effective Sept. 1 from Pacific Coast terminals and intermediate points to eastern-defined territories, which include Colorado common points and nearly all points east to the Atlantic seaboard. (Phila. Ledger, June 8.)

Packers Move to Improve Breeding

"The big packers and leading independents June 7 completed the organization of a strong committee on improved livestock breeding." (Chicago dispatch to Phila. Ledger, June 8.)

Tariff Elasticity

An editorial in New York Commercial for June 7 on "An Elastic Tariff Likely" says: "Judging by the preliminary reports of the administrative features of the permanent tariff thus far published, Congress is undertaking to meet the requirements of an elastic tariff system, fitted to the needs of the hour. This is to be done by an authorization for reciprocity treaties with such countries as it may be to our interest to negotiate in this respect. The idea of a maximum and minimum tariff was abandoned because it carried with it the implication of a threat or penalty for countries that did not meet our ideas. ... It is far better to adopt a policy of live and let live. ... "

Tariff Law Explained

An article by John R. Rafter, customs expert, explains "the many confusing interpretations that have been placed upon the emergency tariff, the anti-dumping clause and other provisions" of the tariff law in New York Daily News Record June 7.

Warehousing

Purchase of warehouse and storage equipment of W.L. Edmunson, of Houston, by the Texas Hay Association has just been made. The association has also taken over the unfilled contract of hay tonnage to fill 300 cars for the quartermaster's Department of the United States Army at Fort Sam Houston, Tex. Practically all of this hay is to be shipped during the month of June. (Phila. Ledger, June 8.)

Wool

"Idle wool manufacturing machinery is decreasing, in fact 75 to 80 per cent of this country's machinery is now active. Foreign markets are firmer and the new tariff will shut out some wools from other lands. All these things promise a market rather more than high prices. ... Little new wool is moving, but if the wheels of the mills keep going round it will move some day." (From an editorial in National Stockman and Farmer, June 4.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 66. Section 1. June 10, 1921.

Secretary Wallace Gives Opinion on Grain Exchanges

Opposition to legislation which would restrict legitimate methods of grain exchanges was voiced by Secretary Wallace yesterday in discussing the House bill to check trading in grain futures at congressional committee hearings. At the same time, Mr. Wallace said, there was evident need of some Federal control to eliminate evils and abuses. (Press of June 10.)

Meat Packers Legislation

Thomas E. Wilson, president of the Institute of American Meat Packers, has forwarded to every member of Congress a statement regarding the economic situation of the meat and livestock industry. The statement embodied the Institute's attitude toward pending legislation seeking control of the packing industry. Taking up packer legislation now before Congress, the statement declared that the packers were not opposed to all kinds of legislation but considered the proposed Norris bill unwise, inexpedient and unnecessary because it did not solve the economic problems of the producing and consuming public or the packer, because it delegated arbitrary powers contrary to the spirit of American institutions, because it set up Government despotism over private business which would be destructive of individual enterprise. (Press of June 10.)

Federal Trade Commission Accuses Lumbermen

The Federal Trade Commission in a report to Congress charged that loggers and lumber manufacturers of the Douglas fir region on the Pacific coast, "the future chief source of the country's lumber supply," are organized to fix lumber prices by "concerted restriction of production."

Farm Loan Bill

The Senate yesterday passed and sent to the House the Kenyon bill amending the Federal Farm Loan act to permit an increase in interest rates on bonds of joint stock land banks from 5 to 5 1/2 per cent. (Press of June 10.)

Section 2.

Agricultural Outlook

"The silver lining to the clouds that drift across the agricultural sky is that farmers are working out their own salvation. The irresistible movement toward organization, the interest in exhaustive study of marketing systems, the insistence that farmers be represented is the making of the nation's laws, their desire to grapple with and solve economic problems - all show a healthy and vigorous mental attitude toward the business of farming which will ultimately result in good to that business." (From editorial in The National Stockman and Farmer, June 11.)

Canada's Spruce Resources

The production of spruce lumber and pulpwood in Canada in 1919 reached a value of $72,000,000, the amount for the former being $44,000,000 and the latter $28,000,000. (Commerce Reports, June 7.)

Congressional Agricultural Inquiry

Referring to the Congressional resolution providing for a special commission of agricultural inquiry, Hoard's Dairyman for June 10 says editorially: "It is our opinion that creating an agricultural commission of inquiry should be desirable. It would have authority to gather various facts pertaining to the marketing of farm products and other information which would be of value to the farmers of this country."

Citrus Culture Ineffective

An editorial entitled "Citrus Instruction Ineffective," in California Farmerfor June 1 says: "Citrus-fruit growing ranks as the most important single fruit industry in California. The gross returns last year were over $80,000,000. The investment in citrus groves and equipment for operating them will easily total a quarter of a billion dollars. The industry employs over 40,000 people. Is not such an industry deserving of adequate consideration from the State University in the way of instruction, research and practical field demonstrations? ... While the Citrus Experiment Station appears to be doing research work of extreme value, this work is not made available to growers or to students as it should be... The correspondence course in citriculture is said to be so far out of date that it ought to be scrapped completely. The course on date culture is in equally bad shape. The California Avocado Association itself had to revise the course on avocados in order to make it acceptable... Let us have a Division of Citriculture at the University commensurate with the importance of the citrus industry."

Cooperative Milk Marketing

"Plan of Milk Marketing Organization" is the title of an article by C. Larsen in Hoard's Dairyman for June 10, which reviews the entire problem of organization under all conditions. The article says: "No one plan of milk marketing organization can be applied in all details everywhere. Conditions vary and the relative importance of the purposes to be accomplished will vary. Viewing the general organization plan as a whole and as now practiced and indorsed by the Illinois Agricultural Association, it may be classed under three main heads: First, organization of the milk producing territory tributory to the milk supply of large cities; Second, organization of the districts supplying milk for cities of about 50,000 inhabitants or less; Third, organization of the milk producing territory more scattered and more suited to creameries, cheeseries, and small condenseries."

Cotton Strike In N.C.

The end of the first week of the textile strike, affecting three chains of mills in Charlotte and nearbytowns, finds the situation practically the same as when the operatives first left the mills. (N. Y. Daily News Record, June 9.)

Farm Bureau Utilities

An editorial in California Farmer for June 1 entitled "Farmers and Utilities" says in part: "While we believe there should be appreciative cooperation between farmers and the hydro-electric power companies, there is no question that farmers should be better informed on public utilities,and in order to give farmers such information the state farm bureau federation has established a department of public utilities... We believe the public utilities department of the farm bureau is essential, not only to represent farmers at rate hearings, but to give to farmers a better understanding of the public utilities problems and of the Railroad Commission's problems."

Federal Aid for Cotton

Edward S. Butler, a president of the New Orleans Cotton Exchange, in a report to the Exchange of his activities in connection with the Government's efforts through the War Finance Corporation to stimulate the export movement of cotton, stated that the prime essential to the solution of America's export problem is the enlargement of the powers of the War Finance Corporation. (N. Y. Daily News Record, June 9.)

Federal Live Stock Loan

Plans for providing credit facilities for cattle raisers without new legislation are under consideration by Treasury officials, according to the press of today. The proposal would be an alternative to the Federal Reserve Board's recent recommendation for legislation to make available to the War Finance Corporation $50,000,000 for loans in the industry.

Filled Milk Legislation

"The bill prohibiting the manufacture and sale of filled milk in Wisconsin passed the Assembly by an overwhelming majority and the Senate committee reported it out unanimously for favorable consideration after a strenuous two-day hearing. The filled milk manufacturers have introduced a substitute regulative measure in hope of defeating the original. On June 2 the Senate referred these measures to the committee of the whole for a rehearing, which took place on June 7. It is expected that the original bill will pass and receive the approvalof the Governor, thus outlawing the imitation milk from Wisconsin. (Hoard's Dairyman, June 10.)

Financing Agriculture

Referring to the Farmers' Finance Corporation with $100,000,000 of capital, an editorial in Orange Judd Farmer for June 4 says: "This is big work, and is along the right lines. The question of financing is at the bottom of any successful business. And whatever financing plan be adopted, it must be built upon recognized principles which will command confidence in the commercial world."

Flax from Russia to France

Merchants in northern France have received two large lots of flaxfrom Russia and announce that further purchases have been made in Baltic provinces, to which Russia is exporting. (N. Y. News Record, June 9.)

Freight Rates Reduced on Alabama Melons

Shippers of melons in Alabama from points along the lines of the Louisville and Nashville Railroad Company will have this season more favorable rates to the consuming markets than obtained last season, according to an announcement made following a conference in the offices of the Alabama Public Service Commission, June 2. (Jour. of Commerce, June 8.)

Grain Marketing

"The farmers who are now organizing for their own and the general public's economic good must burn every bridge behind them. They must have strong advance and rear guards and loyal and capable flankers and scouts. The enemy is at hand. He is going to lose no opportunity to attack farm organizations and if the opportunity is not right for a crushing blow, he will harass the organization in every unprotected spot. The grain growers, the milk producers, the orchardists, the poultrymen - every branch of agriculture that is organizing must surround itself with absolute legality. It must lay its plans on principles the soundness of which cannot be challenged, and it must make the details of organizations conform to those principles." (From editorial in The Idaho Farmer, June 2.)

Grain Trading

" 'Your worries are coming too late,' says an Edgar County reader in 'an open letter to J. P. Griffin,' which he sends us. 'You wouldn't stop short selling when it was putting the price of corn way down below the cost of production. Now Uncle Sam and the state legislature must operate. He may have to cut a little deeper than would have been necessary if you had done the job yourself, but if the patient dies under the operation people will continue to eat.' " (The Prairie Farmer, June 4.)

Livestock Selling Agencies

An editorial in The Prairie Farmer for June 4 entitled "Farmers' Commission Companies" says: "The livestock marketing Committee of Fifteen, which has been studying the matter of producer-controlledlivestock selling agencies, has come out with a strong declaration in favor of the establishment of such institutions at all of the livestock markets in the United States... This is a distinct step forward in the development of a livestock selling program, and we believe that livestock shippers generally will indorse the recommendation. As evidence of the fact that they will give the necessarysupport to cooperative livestock commission companies, it would be noted that there are now seven livestock markets in the United States and six in Canada where there are successful cooperative livestock selling agencies."

Raisin Crop

W. M. Griffin, President of the California Associated Raisin Company, before a Senate sub-committee considering the pending bill to authorize collective bargaining by farmers yesterday placed the raisin crop of 1918 at 167,000 tons and of 1919 at 183,000 tons. He stated that he believed cooperative associations to market crops in the light of information as to world supply and demand would improve farmers' prices. (Phila. Ledger, June 10.)

Spanish Tariff

Spain has taken measures against merchandise imported from nations having depreciated currency. A decree effective June 15 provides for increases on various commodities from those countries. (Phila. Ledger, June 10.)

War Finance Corporation Finances Cotton

The War Finance Corporation announces it has completed actual advances in connection with a loan previously announced of $2,000,000, to assist in the export of cotton to warehouses in foreign ports. It has also made actual advances of $500,000 in connection with applications heretofore announced as having been approved for a total of $1,000,000. All of the cotton under the $500,000 advance goes to Japan to be marketed out of the warehouses of the American exporter of that country. (Press release, June 9.)

Wool Legislation Suggested

Wool manufacturers told the Senate committee that the Truth-in-Fabrics bill now under consideration is wrong in theory and unworkable, and suggested legislation that would penalize those who misrepresented their goods. (Press of June 9.)

Section 3.

Department of Agriculture

1. "We congratulate Secretary of Agriculture Wallace on the character of the opposition that is developing against him. The Commercial West, Minneapolis, the organ of Northwestern banking, milling and grain trade ... objects to Secretary Wallace's statement regarding the unprofitable returns of agriculture. It criticises him for attempting, in the Capper-Tincher bill, to 'put something over on the grain exchanges' by getting complete power over them. The record does not show this provision of the bill was either suggested or requested by Secretary Wallace, but no use letting facts spoil a good roast. From the farmers' standpoint such supervision may be just what is needed and the Secretary is to be commended rather than censured if he really did try to 'put it over.'... " (From an editorial in Farm, Stock and Home, June 1.)

2. "The reasons given by Secretary Wallace, in refusing to make the necessary changes in the Federal wheat grades, are on a par with similar refusals in the past. Secretary Houston said the grades should be tried out in a free market. Secretary Meredith based his refusal on practically the same ground, now Secretary Wallace says he has not been in office long enough to be familiar with the situation... In all the discussion, the Bureau of Markets or any other defenders of the grades, have never answered the charge that perfedtly good number one wheat is graded down to four on an excess of moisture as small as to many times entirely disappear during the process of elevating the grain from the car to the bin... The Minneapolis Journal in its news columns announced the millers were very much gratified by the position taken by Secretary Wallace. Of course they are. We are publishers, and doubtless you, as readers, would be well pleased if we could get a system of paper buying that would give us fine white glossy book paper at the price of print. In an editorial, May 20, the Minneapolis Journal said: 'The farmers of the Northwest havelearned by experience that Federal grain inspection is not what they thought it would be. It has not done for them what they had been promised it would do. The Minnesota state inspection was unquestionably the best system ever devised to protect the grain raiser...' ..." (From an editorial in Farm, Stock and

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Vol. 1, no. 67 . Section 1. June 11, 1921.

Financing American Agriculture

"The administration is taking pains to impress upon American bankers the necessity of considering America first in their plans for financing Europe. The plight of certain American interests is very serious. Farmers, particularly, arein a condition that borders on desperation, as the value of their product is only about 60 per cent that of prewar days, while the price of all they buy is twice or three times as high. They are handicapped bythe railroads, which makes it impossible to equalize distribution... A farmer should have credit for a full year, at least, and 30-day accommodations do him little good. Throughout the West and South there is complaint of demoralization which threatens to ruin great agricultural regions. No individual is to blame, but nevertheless the conditions are insupportable, and the vexation of farmers is deepening into sullen anger. They find obstacles on every hand. They demand relief, and will find some way to escape bankruptcy if they can. One method of escape is to quit producing. That would be a national calamity of the first magnitude, affecting every individual in the country... In the first place, American money is needed primarily at home... A certain small European government obtained a loan of $16,000,000 in the United States and then promptly expended the money in Argentina for wheat, while American farmers have wheat on their hands and are facing bankruptcy." (From editorial in Wash. Post, June 11.)

Financing Cattle Men

Secretary Mellon conferred yesterday with J. P. Morgan, of New York, and others on the question of financing the cattle industry through private channels. It was decided that a short investigation of the credit situation in the cattle country would indicate whether adequate financial relief of the livestock industry must be obtained through private banking channels. Such a course is said to be under consideration by the Treasury as an alternative to the plan proposed by the Federal Reserve Board for making available $50,000,000 to the War Finance Corporation for loans to cattle raisers. Direct financing of the livestock industry through private banking channels, Treasury officials said, would obviate the necessity of enabling legislation and the necessary credits could be made available more quickly. (Phila. Ledger, June 11.)

Section 2.

Agricultural Committee Named

Vice President Coolidge yesterday named as Senate members of the Joint Congressional committee to investigate agricultural conditions, Lenroot, of Wisconsin; Capper, of Kansas; McNary, of Oregon; Robinson, of Arkansas, and Harris, or Georgia. (Press of June 11.)

Agricultural Development

In an editorial on farming in New Jersey, The Rural New Yorker for June 11 says: "Never laugh at the farming possibilities of anycountry. Wait till the right man with the right crops strikes it. Alaska will yet feed the world; Labrador will drive her reindeer into the dairy business. The despised salt marsh will be drained and made into miniature Hollands. Water will change thecactus desert into a garden. Your own rough and sterile farm can be made to bloom like the rose."

Business Conditions

Immediate return to prosperity is not in sight, Archer Wall Douglas , chairman of the Committee on Statistics of the Chamber of Commerce of the United States,declared in his semi-annual report yesterday on businessand crop conditions. There need be no delusion about a resumption of wartime volume of business, he said, adding that while things will be quiet during the summer the termination of harvest may bring somewhat better business and a slow and gradual improvement. (Press of June 11.)

California Plums

The 1921 plum crop of Tulare County, California, has been bought by one firm and will be packed at Exeter. (Calif. Cultivator, June 4.)

Cooperating Farmers Intimidated

Milo D. Campbell, president of the National Milk Producers Federation, yesterday told an agricultura sub-committeewhile urging enactment of the collective bargaining bill that Federal attorneys were intimidating farmers with threats of prosecution under antitrust laws. (Press of June 11.)

Farm Fish Breeding

"Farm Fish Breeding" is the title of an article in The Rural New Yorker for June 11 which describes activities in fish culture on farms at Comaccihio on the Adriatic, where the people have built ponds with fresh water running through them, having connected the ponds with the Adriatic through canals, and sell $60,000 worth of eels annually; and one pond, close to the river Dee, in Scotland from which $6,000 worth of fish are sold annually. The article says: "No country affords better opportunities to do these things than ours... We have thousands of places where we could make artificial breeding places for them and make fish a very common article of diet."

Fig Growers School

What is believed to be one of the most forward-looking steps in behalf of members of a marketing association was successfully launched last month by the California Peach and Fig Growers of Fresno when the traveling school for fig growers was held, according to California Cultivator, June 4, which states, further, that the traveling school idea originated with Ira J. Condit, former professor of horticulture at the University of California, and now at the head of the horticultural department of the California Peach and Fig Growers. It is believed by officials of the association that through the interest that was created in the state in fig culture the yield of the highest grade fruit will be increased

Freight Rates

1. Reduction of freight rates on vegetables and melons from the Pacific coast to territories east of Chicago, ranging from 8 to 33 1/2 cents a hundred pounds, was authorized yesterday by the Interstate Commerce Commission. (Phila. Ledger, June 11.)

2. A material reduction in freight rates on food products from California to New Orleans has just been announced. The reductions are from 12.5 per cent on canned goods to 25 per cent on dried fruits. The rates apply to all points in the New Orleans territory. (Phila. Ledger, June 11.)

Hide Market

The most significant hide sale in months is one this week of 25,000 ordinary country extremes at 10 cents selected f.o.b. Chicago for export. Tanners have avoided this sort because suitable only for low grade leathers and unsaleable, domestically. (Wall St. Journ., June 10.)

Honey Situation

The honey situation is reviewed at length by E. H. Tucker, economic statistician, First National Bank of Los Angeles, in California Cultivator, June 4. The author states that the development of honey has taken place almost entirely in California and is to a great extent the result of the activity of cooperative marketing associations. He says: "The development of the honey industry upon a scientific commercial basis has created the neeessity for accurate information as to honey production and for a careful scientific analysis of the honey situation... The problems with which the honey industry of the United States, and particularly of California, are faced today are three-fold. The first is the securing of an effective means of excluding any infected foreign honey; the second is a reduction in freight rates to eastern markets; the third is the preparation of honey in more marketable forms and the development of larger consumption in the United States."

Livestock Legislation in Florida

An editorial entitled "Range Cattlemen Dominate Florida" in Florida Farmer and Stockman, June 1, says: "As the Farmer and Stockman has predicted, the range cattle interests of Florida have dominated the legislature at Tallahassee to the extent of amending the livestock sanitary bill to death, regardless of what the people of the state may want or the industry needs... The result was that the bill was finally tabled and no provision made for livestock sanitation in Florida for the next two years... State-wide tick eradication has failed in Florida. One reason for this is because the range cattlemen know that such a law would show up for taxation on the actual number of cattle they own."

Packer Legislation

In an editorial entitled "Facts About the Packers" the Journal of Commerce June 10 says: "No well informed observer would, of course, claim that the packers are morally or otherwise perfect or that their operations have always been of a nature best to serve public interest. On the other hand, it is of the greatest importance that their achievements in improving and lessening the costs of distribution of meat products be fully realized. There is very real danger that mere size and power of big packing companies give rise to legislation which will seriously impair the ability of the industry to manufacture and (Cont'd on page 4.)

Packer Legislation

(Cont'd)
distribute meat products at present low costs. Perhaps certain of the policies of the packers themselves are partly to blame. It should be needless to say, however, than neither this nor any other fact warrants 'control' which would injure either the farmer or the consumer or both."

Potash in Texas

Samples of salts recently sent from western Texas to the laboratories of the U. S. Geological Survey, at Washington, and to the Texas Bureau of Economic Geology and Technology at Austin, contain percentages of potash that suggest at least the richness of the potash deposits of Alsace and Germany. (N. Y. Commercial, June 10.)

Russian Concessions to Foreign Industries

The Soviet government in Russia is making great efforts to interest foreign capital for industrial purposes. An American firm has been allotted territory of 200,000 acres in Siberia for the production of tanning materials. The firm of Wr. Steinberg has obtained a leather concession for a term of 20 years. The company has put itself under obligation to produce during the first three years at least 2,000,000 ox and sheep hides, properly tanned and otherwise prepared. (Standard Daily News Service, June 10.)

Seed Legislation in Iowa

"Beginning with July 1 seed dealers in the state of Iowa will be governed by a recently enacted seed law, one which is so full of ambiguities as to cause seedsmen and those charged with enforcing it to wonder how the law can be complied with... The difficulty is this: To obey the letter of the law is impossible, in that it requires, forone thing, that agricultural seeds be absolutely free from noxious weed seeds; therefore, inasmuch as the law will soon become operative, it is necessary to arrive at some kind of an understanding so that the seedsmen will continue to do business." (From article entitled "Iowans Discuss Their New Seed Law," in The Seed World, June 3.)

Seed Legislation in Pennsylvania

"Pennsylvania Seed Law" is the title of an editorial in Pennsylvania Farmer for June 4, which says: "The seed law passed by the last legislature is the best seed law in the Union, according to Secretary Rasmussen who has made a careful study of the different state laws on this subject. The farmers of Pennsylvania are fully protected in the purchase of seeds, and the unscrupulous houses which have been dumping stuff labeled 'Pure Seed' will have to find a market elsewhere. The law does not attempt to grade seed but provides that it shall be labeled so that the buyer may have full information as to the contents of the package."

Tariff Bill

With the exception of the wool schedule, the question of a limited embargo on dye imports, some of the items of the free list and administrative provisions, the permanent tariff bill has now been practically completed by the Republican members of the Ways and Means Committee. In view of complications on these remaining matters, however, it is considered doubtful if the bill will be reported to the House much before the end of the month, if then. (N. Y. Commercial, June 10.)

Tax Plea Made to President

A sales tax and an extension of the rediscount period for agricultural credits were recommended to President Harding yesterday by a committee of Ohio and Indiana Manufacturers. Their plan would put a 1 per cent tax on sales of every character and would provide for amendments of present laws, so that a minimum of nine months would be fixed for rediscounts of agricultural paper instead of the existing six months' maximum. (Phila. Ledger June 11.)

Wool i Texas

The Wool Growers' Storage Co., of San Angelo, Tex., has sold 1,300,000 pounds of wool since the spring season opened, which will bring $240,000 to 177 sheepmen in more than half a dozen counties. The company has on hand 700,000 pounds of wool. (San Angelo dispatch to Phila. Ledger, June 11.)

Section 3.

Department of Agriculture

Who's Who in the Grain Trade for June 5 quotes an address of President F. G. Horner of the Ills. Grain Dealers Association, in which he said: "But today in county after county of this state the office of farm adviser, at the instigation of the Bureau of Markets and the agricultural department of the State university, has been converted from an educational agency to a competitor of practically every important business in the community in which they are functioning... I feel that the best interests of this country demand that the Bureau of Markets and the system of county farm advisers should be absolutely abolished; that the activities of the University of Illinois and the Department of Agriculture at Washington should be confined to educational matters; that the Clayton law should be repealed and agriculture and labor organizations should be made amenable to the anti-trust law, the same as the packing and other industries and associations; that there should be an end to class legislation of every kind and that governmental activities in business should be undertaken only for the regulation or prevention of monopoly and for the exercise of the natural police powers for the protection of the public health and safety."

Section 4.

Library Accessions

East Indies (Dutch) Dept. of agriculture, industry and commerce. Yearbook of the Netherlands East Indies. 1920.

United grain growers, limited. Annual report, 3d, 1919/20. (Winnipeg, 1920)

U. S. Grain growers, inc. A farmer-owned, non-stock, non-profit association to handle and sell grain at cost for its farmer members. 1921.

UNITED STATES DEPARTMENT OF AGRICULTURE

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Vol. 1, no. 68. Section 1. June 13, 1921.

Supplying Grain Credit

Referring to the meeting of representatives of grain interests, including farmers' organizations, grain elevator operators and dealers, called today in Washington by Secretary Wallace and Secretary Hoover, for the purpose of considering methods of financing grain, the Washington Herald today says in an editorial: "Among commercial paper, none outclasses the elevator or warehouse certificate based upon grain. Yet, save in a few states, these certificates are not available to the grower of the grain as a basis of credit. It is this situation Secretary of Agriculture Wallace and Secretary of Commerce Hoover intend to correct. They plan to allow the farmers themselves to have the right to judge when and at what price they will sell their grains. They propose that the farmer himself shall be able to warehouse his grain and use his warehousing certificate as commercial paper. This would not withhold the grain from the market. On the contrary it would tend to take it out of granaries and place it in the current of trade. It would lead to greater accuracy of estimates of supply. ... As it now is, this right to credit, broadly speaking, only attaches after the farmer has sold and in behalf of the buyer. This is a manifest injustice which Mr. Wallace and Mr. Hoover intend to correct."

Aiding Farmers

"Baruch as Farmers' Aid" is the title of an extensive interview by Frank P. Stockbridge with Mr. Baruch, published in New York Times June 12. Mr. Baruch is quoted as saying, in part: "The farmers have been getting together in the greatest cooperative movement in American history and they have learned that the business of farming - a bigger business than making steel or mining copper or running railroads, or than all three put together - must work with capital and be on friendly terms with sources of capital, if farming is to have the same chance for financial success and profit that other businesses have. ... Referring in the interview to the grain meeting to be held today, Mr. Baruch said: "I think it is a fortunate thing that such practical men, who are in a position to put the Government's cooperation behind this program, are interested in it, because that will spell earlier success."

Meeting Of Rural Bankers Called

Announcement was made at the Treasury Department June 11 that invitations had been extended to a number of bankers in the live-stock growing sections to attend a meeting in Chicago June 15, for the purpose of determining the best method to relieve the live-stock financial situation. (N.Y. Times, June 12.)

Agricultural Bank in Iowa

"That Iowa will eventually become the nationally recognized center of agricultural financing and that it will render farmers of the Middle West as free from embarrassment of tight money as is possible, is the aim of a new $5,000,000 company just incorporated at Des Moines, known as the Iowa Farm Credits Corporation with leading farmers and bankers of Iowa at its head."
(Des Moines dispatch to N.Y. Daily News Record, June 11.)

Agricultural Cooperation

Charles W. Holman, secretary of the National Milk Producers' Federation, urging adoption of the collective bargaining bill, before a congressional subcommittee June 11, said farmers' cooperative associations would prove a bulwark against bolshevism.
(Press of June 12.)

American Farm Bureau Federation

"We believe the Farm Bureau Federation is the greatest organization both in sincerity and breadth of purposes which has ever been realized, and it is working with more capable analytical and promotive agencies than have ever before been mobilized in the interest of agriculture. We also believe that it is the pure and legitimate offspring of all the efforts which have been put forth during the last half-century."
(From editorial in Pacific Rural Press, June 4.)

American Farm Bureau Economist

Samuel W. Tator has been appointed director of the Department of Economic Research of the American Farm Bureau Federation. Mr. Tator comes to the Farm Bureau from the Committee of 17, where he was employed as economist to help work out the grain-marketing plan. He has also assisted the Farm Bureau on live stock, fruit, dairy products and cotton marketing problems.
(A.F.B.F. Weekly News Letter, No. 23.)

Farm Bureau Federation Fights for Stockmen

Representatives of the Department of Transportation of the American Farm Bureau Federation appeared at the Interstate Commerce Commission hearing in Denver on June 1 and in Chicago on June 6 to present evidence showing why railroad rates should be reduced. The hearings involved the rates on live stock in the Western District. It was proposed that the Commission remove the 35 per cent general advance established on Aug. 26, 1920.
(A.F.B.F. Weekly News Letter, No. 23.)

Financing Cattlemen

Referring to the plan under consideration to finance the cattle industry through private channels, The Washington Post today says editorially: "The plan for Eastern financiers to supply the funds required up to $50,000,000 has many advantages over the former. It does not call for the use of government money, and it can be put into operation at once without any action by Congress. Also the loans made can be rediscounted as many times as necessary, which could not be done by the Federal reserve banks. The importance of maintaining the cattle industry at a high degree of productivity is fully appreciated, and there is a general willingness to give such assistance as is possible. The only question is as to the best method, and it appears that has been answered by the plan of private loans."

(I)

Foreign Trade

1. Both exports and imports continued to fall off in May, but the month's trading resulted in a favorable balance of $122,000,000 for the United States, figures made public by the Department of Commerce show. May exports totaled $330,000,000 against $340,000,000 in April and $746,000,000 in May, 1920. Imports for May were $208,000,000, against $256,000,000 in April and $431,000,000 in May 1920. (Phila. Ledger, June 13.)

2. British foreign trade for May reveal that exports during that month were 63 per cent below those in the corresponding period of 1920 and that imports were 48 per cent lower. The biggest decrease in the export trade was in cotton goods. Imports of raw materials were 54,000,000 pounds less than in May 1920. (Cable from London to Standard Daily Trade Service, June 11.)

Freight Rates

1. Plans for the shipment of more than 10 per cent of California and Northwestern fruits and vegetables to the eastern seaboard through the Panama Canal were outlined at Washington June 10 by C.S. Whitcomb, president of the Pacific Producers' Association and vice president of the California Fruit Growers' Exchange. (Jour. of Commerce, June 11.)

2. Reductions of 22 cents a hundred pounds on transcontinental freight rates on oranges and 16 1/2 cents on lemons by Nov. 1, have been promised by the Southern Pacific Co., the Atchison, Topeka and Santa Fe and the Los Angeles and Salt Lake railroads to citrus fruit shippers if they abandon plans for further development of water transportation facilities. The railroads' proposal was declared by the California Fruit Growers' Exchange to be an "attempt to have the citrus industry boycott the Panama Canal and throttle the development of coast-to-coast traffic by the American merchant marine." The California Citrus League also voiced opposition to the railroads' proposal. (N.Y. Times, June 12.)

Fruit Companies Merge

Thirty fruit companies in various parts of the United States, with assets of more than $20,000,000, have been merged, according to an announcement June 11 by the manager of the Mexican Fruit and Steamship Company, which is included in the combine. (New Orleans dispatch to Wash. Post, June 13.)

Fruit Legislation

"The Government has decided to introduce a bill to prevent the shipment of immature bananas and citrus fruit to the United States, prescribing heavy penalties." (Kingston, Jamaica, dispatch to Wash. Post, June 12.)

Gift Corn Bought by A.F.B.F.

The purchase on the Chicago market June 8 of 83,137 bushels of white milling corn marked the conclusion of the American Farm Bureau Federation Gift Corn project. The money for this corn came through the Illinois Agricultural Association from the farmers of Illinois. The corn purchased was sent to the mills of the American Hominy Company at Decatur, Ills., to be ground into degerminated corn flour, hominy grits and corn oil for packing and later reshipment to the seaboard. (A.F.B.F. Weekly News Letter, No. 23.)

Grain Marketing

Who is Who in the Grain Trade for June 5 states that on June 3 a letter was sent to each member of the Grain Dealers National Association urging him to write to his congressmen protesting as strongly as possible against the present tendency of Congress to enact class legislation in favor of the cooperative movement among the producers of the nation. This lengthy communication, reprinted in the issue, states that no special bills are to be singled out for attack but that the whole legislative program of the cooperative agitators must be combatted.

Labor

The schedule of berry harvest wages, showing a material decrease from last year, has been established by the Apple Growers' Association, according to Hood River, Ore., dispatch to Journal of Commerce, June 11.

New Jersey Legislation

"The New Jersey legislation has done the right thing this year by increasing the appropriation for added facilities at the agricultural college. The Governor showed a different frame of mind in approving the appropriation measure than several weeks ago when he let die the important milk bills by filing them in the library. Funds for a poultry building were provided for in the appropriation act this last session, and with the horticultural building now ready for occupancy and to be dedicated the middle of the month the outlook is encouraging at the college." (From editorial entitled "Making a Good Start," in American Agriculturist, June 11.)

Pooled Wool Sales

The manufacture of pooled wool into blankets has grown considerably in the past few weeks. The Illinois Agricultural Association has ordered about 6,000 blankets, while the Iowa Wool Growers Association has sold about the same number. In Michigan the state farm bureau federation is planning to make 25,000 blankets this fall in addition to suiting for its members. (Prairie Farmer, June 4.)

Prices In Europe

The steady drop in prices which characterized most of the European countries as well as our own has apparently run about its course. In England; the Economist's index number for May stood at 4,910 as compared with 4,929 the previous month. The drop was 19 points but the month before the drop was 168 points. Similarly in France and Germany the decline has at least to some extent been arrested. Both in France and Germany, however, the problem is seriously complicated by the terrible inflation which has characterized those countries. (Standard Daily News Service, June 11.)

Pulp Commission Upheld

A resolution by Senator Underwood creating a Federal commission to confer with the Canadian government on revocation of orders restricting wood pulp exports to this country was reported favorably June 11 by the Senate Rules committee. (press of June 12.)

Road Legislation

The Nebraska Farmer, June 11, says: "Every farmer who believes in keeping the control of his roads as near home as possible and at the same time securing the benefit of the experiences which come to the Department of Agriculture during the administration of the Federal road law should instruct congressman to vote against the Townsend bill."

Section 3.

Department of Agriculture

1. Referring to the grain conference today, the Price Current-Grain Reporter, June 8 says: "The invitation of Secretaries Wallace and Hoover to a conference in Washington on June 13, printed on another page, is based on an old concept of Secretary Wallace - that the most profitable price to the farmer for his grain crops is not the harvest-time price but a later one; and therefore some credit machinery apparently must be given by the Government to the farmer to enable him to speculate with his own grain by holding it for the later price. The belief - for it is only a belief - is erroneous, a deception, since it is only occasionally true. As a rule it is not true. ... Why then, Messrs. Hoover and Wallace, to exploit a fallacious belief, should initiate a program to mess up the country grain market in order to provide facilities for the farmers to gamble on the certitude of the Secretaries' fallacious belief as to the course of prices, is quite aside from our understanding of the true function of a cabinet officer of the Government."

2. A lengthy editorial entitled "Limiting Trade," in Price Current-Grain Reporter, June 8, says, in part: "The chief cause of offense by the Chicago Board of Trade, the grain market par excellence of the world ... is that unlimited trading is permitted. This it is assumed is bad - hopelessly bad. Therefore trading in unlimited quantities by professional speculators must be restrained as a protection to the public. The Tincher bill as amended on the advice of the Secretary of Agriculture would give that officer power to exercise this restraint, according to rules and regulations made by himself.

"Now, no one will deny the fact that at times the operations of certain well-known professional speculators have been in very large volume and that these operations have constituted temporarily a market nuisance which the legitimate speculator and the cash trade would very gladly get rid of. ... Now , the Secretary of Agriculture, coached by such distinguished experts as George Livingston, head of the Bureau of Markets, or Rollin E. Smith, expert in ordinary to the Secretary, may be able to work out this problem of restraint on paper without 'spilling the beans', but no one else so far has been able to do it successfully in the real market itself. Yet the best minds in the grain trade have for years puzzled themselves and struggled over this self-same proposition."

3. "Many readers will be interested in the announcement that Mr. Helmer Rabild, for thirteen years with the Dairy Division, United States Department of Agriculture, has resigned to become manager of the surplus plant of the Michigan Milk Producers' Association. ... The Government loses a mighty good man, while Michigan takes back its own." (The Milk Dealer, June.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 69. Section 1. June 14, 192[illegible]

Storage Facilities To Aid Farm Credit Plans for providing farm credits through development of grain elevator and warehouse facilities were discussed yesterday at a conference of representatives of agricultural interests with Secretary Wallace and Secretary Hoover. The plan as outlined is to provide sufficient storage facilities to enable farmers to ship to markets immediately after the harvest and to obtain credit on their holdings through warehouse receipts. The necessity was stressed for reliable insurance on storage and certificates which would carry with them insurance of the stored product. This feature will be worked out by a committee representing all the interests concerned which was appointed as a result of the meeting and which went into session immediately. This committee will send out questionnaires intended to obtain detailed information as to the prospects of obtaining insurance and considerable additional data that will furnish guidance in furthering the plan. (N.Y. Times, June 14.)

$50,000,000 Pool For Live-Stock Aid The live-stock financial problem is to be handled by private banking interests, J.P. Morgan and a group of bankers from New York, Philadelphia and Boston having agreed to subscribe not less than $25,000,000 for that purpose. Another $25,000,000, it is understood, will be guaranteed by bankers of the Middle West, including the principal cattle and sheep raising states. In a general way the plan is to have the group of private bankers from the East and Middle West pledge themselves to supply from time to time, as requested, at least $50,000,000, the money to be in the hands of a committee of western bankers who understand the live-stock industry. They will have headquarters at Chicago. Loans will be made for six months, but will in effect be long term credits of from two to three years, as they will be entitled to renewal, unless unusual circumstances arise to disqualify them. The credits will be made available at the market rate, and may be extended either to banks in live-stock districts or to live-stock associations. (N.Y. Times, June 14.)

Use of Boll Weevil Fund Under a resolution introduced June 13 by Chairman Norris, of the Senate Agriculture committee, on recommendation of Secretary Wallace, $200,000 of the fund already appointed to fight the pink boll weevil in the Southwestern cotton states would be used, together with state funds, to compensate farmers who are required to keep land idle in the zones established around infected areas. (Press of June 14.)

Milk Legislation Representatives of milk producers before the House Agriculture Committee June 13 advocated legislation to prohibit interstate movement of milk filled with fats or cocoanut oil as substitute for cream. (Press of June 14.)

Section 2.

Agricultural Cooperation

"There is no reason why the farmer should not adopt cooperative methods. He complains of his lot and of meagre return for his risks and labor, and it cannot be claimed that this primary occupation, the beginning of the line indispensable to human life, is an enriching though a 'gainful' one. The consumer groans at one end of the line, and the farmer groans at the other. Between them are indubitably too many hands and too much friction. When strolling hawkers were selling half-decayed apples along the East Side and were using unremoved garbage heaps as counters, yet the most perfect fruit was rotting on the ground, or kicked about by children in play, in orchards a little south of Poughkeepsie, and only a few miles from both river and rail, and when the grower of such fruit who packed and shipped it carefully found himself, when his account came from the city commission dealer, debited with a loss about equal to the cost of barreling, there is clearly something wrong. ... Similarly, when some city dwellers grow vegetables in ample quantity on their summer places not more than 100 miles distant but cannot get their surplus to their home tables without having its money value eaten up by freight and handling, there is another comment on our inability to solve some of the problems of subsistence." (Commercial and Financial Chronicle, June 11.)

Business Conditions

"Distinct headway is being made in the movement to restore business in those industries which have suffered seriously from stagnation and timidity on the part of buyers. Under strong leadership various plans are being formulated for helping specific industries and especially the growers of wheat, cotton and other staples. The headway already made has been sufficient to indicate that the situation is in strong hands and that important progress may be expected before long. President Harding and his advisers, however, have taken a strong hand against increased paternalism." (From editorial entitled "Back to Normal" in The Financial Age, June 11.)

California Melon District Grows

The district of Lindsay, in the San Joaquin Valley, which is noted for its early maturing citrus fruits, is about to branch out as a cantaloupe-growing center, according to The Journal of Commerce, June 11.

Chicago Board of Trade

"Last week Mr. Joseph Griffin, president of the Chicago Board of Trade, issued a formal statement bearing on the Lantz bill controversies which is so inaccurate that it is not a credit to him. Mr. Griffin ought to know by this time that inaccuracies in such statements destroy whatever value his real arguments may have. As quoted in the Chicago press Mr. Griffin's statement indicated that although thousands of farmers in Illinois had pooled their wool last year, the wool was not yet sold. It would not have been necessary for Mr. Griffin to go farther than his own telephone to find out that this was not true. By far the great bulk of the wool is sold, only a small amount of low grade wool remaining. His statement also says that as a result of agitation on the Lantz bills 'farmers are resigning from the United States Grain bureaus literally in droves'. The United States Grain bureaus! Does any-

(Cont'd on page 3.)

Chicago Board of Trade (Cont'd)

body know what they are? If he is referring to the United States Grain Growers, Inc., they have not solicited Illinois Membership as yet." (From an editorial in Orange Judd Farmer, June 11.)

Cooperative Organizations Misrepresented

An editorial in The Wisconsin Farmer, June 9, entitled "An Example of Misrepresentation," referring to statements made in the Chicago Herald and Examiner regarding the United States Grain Growers', Inc., says, in part: "Our correspondent believes that the article is misleading in the extreme and written with a view to dividing the farmers, and if possible to make it difficult for them to get together on the big marketing program which they hope to carry out. We fully agree with our correspondent in his conclusions concerning this article, and many others of a similar nature that have been published recently in the metropolitan press, that they are designed to break up the present cooperative movement among farmers which the grain speculators and other interested with them are beginning to fear. ... Not being able to find fault with the proposition, the opponents either tell untruths or half truths about it and appeal to the prejudices and ignorance of those farmers who are not fully informed concerning the movement with a view to stirring up strife and contention among them."

Cotton Glut Temporary

The point chiefly emphasized at the opening of the world cotton conference at Liverpool June 13 was that the present glut in raw cotton is a temporary condition and that the return to normal will demand increased production. Richard I. Manning, former governor of South Carolina, speaking for the American delegation, said there was no limit to America's capacity to supply raw material, provided it was done on a just and profitable basis. (Assoc. Press, June 14.)

Farmers In Middle West

President Guy Huston of the First Joint Stock Land Bank of Chicago sent questionnaires to 1,000 county banks in Iowa and Illinois April 11. Replies from 488 in 99 counties in Iowa and 413 in 65 counties in Illinois indicate that in Iowa 93 per cent and in Illinois 89 per cent of loans were made to farmers or those dealing with farmers. In Iowa 499 and in Illinois 355 banks reported not sufficient money in their communities to supply the needs of farmers, while 473 Iowa and 371 Illinois banks were restricting credit and 415 Iowa and 255 Illinois banks could not supply the demand for short time loans. In both states 996 reported farmers reducing their deposits by loaning to neighbors to pay maturing loans which cannot be renewed and 793 reported farmers discontented and embittered. Only 78 reported them taking the financial situation philosophically. (Wall St. Jour. June 13.)

Freight Rates

Evidence to be presented by a committee representing the Illinois Agricultural Association; Farmers' Institute; Southern Illinois Development Association; Illinois Farm Advisers Association; limestone producers and members of the soils department of the University of Illinois, to the Illinois Freight Association for a reduction in freight rates on agricultural limestone in Illinois, shows a steady increase in the use of limestone from 1911 to 1919 and from that time on a sharp decline. The evidence concludes that unless some substantial reduction is made in the (Cont'd on page 4.)

Freight Rates (Cont'd)

delivered cost of limestone to Illinois farmers under the present conditions, the use of this material will be reduced to such an extent as to nullify very largely the efforts made by the University of Illinois and county farm bureaus in the past in advocating the use of limestone for the maintenance of soil fertility and Illinois will find itself in the same position as the worn out and abandoned states of the East and South.
(Ills. Agric. Assoc. News Letter, No. 56.)

Future Hog Prices

Referring to letters from two subscribers on future hog prices, contained in The Nebraska Farmer for June 11, the editor says: "The optimist has most of the business statistical agencies to support his view. Babson says that price of pork products are likely to rise rather than fall. He also looks for a better demand for corn. He predicted an increase in price in wheat. ... The optimist has on his side the fact that some of the factories which were closed are starting operations on a small scale, that freight rates are likely to be reduced and that labor prices are likely to come down. ... The pessimist has the fact that the predictions of a general revival of business this summer have not been generally fulfilled. It is also undoubtedly true that Europe is in a bad financial condition, and that she will undoubtedly curtail her use of American made goods until we are able to take the products of her labor in exchange for them. He also has on his side the fact that there are thousands, perhaps millions, of laborers out of employment now, and that they are curtailing their consumption of food."

Grain Profits Statistics

Extensive tabulations showing profits of terminal and country grain elevators were submitted to Congress June 13 by the Federal Trade Commission as being appropriate to consideration of the many pending bills to regulate grain trading. Figures for ten companies, the report said, showed the rate of return on total investment ranging from 8 to 20 per cent over a period of years. (Phila. Ledger, June 14.)

Labor-Farmer Union Urged By Gompers

Closer alliance and cooperation between the organized industrial workers of the country and the farmers, "in order that we shall not be crushed by the reaction of industrial captains or princes of finance," was urged by President Samuel Gompers, addressing the 41st annual convention of the American Federation of Labor at Denver, June 13. (N.Y. Times, June 14.)

Live-Stock Prices

Four thousand dollars, a record price for a milking shorthorn female, was paid June 11 at the Bradford County, Pa., sale for Minnie of Glenside, a red yearling heifer. C.A. Otis of Cleveland bought her from L.D. May, Granville Center, Pa. Eighty cattle sold for an average of $608. This is $92 under the average of a year ago. (Troy, Pa., dispatch to Phila. Ledger, June 13.)

National Legislation Criticised

In its review of business and trade conditions, Price Current-Grain Reporter for June 8 says in reference to the Haugen bill: "This packer bill embodies every feature of vicious law making. It puts the government into business in illegitimate ways and it makes law not directly but by delegating the power to make the
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National Legislation Criticised (Cont'd)

law in unknown terms to an individual not elected to make laws, instead of putting exact particulars in the statute itself. ... " It says, further, in the same review: "The same group of agitators and radicals demand also that the grain trade shall have its head put into the same noose to have its life choked out of it."

Speaking of the agricultural "bloc" in Congress an editorial in the same issue says: "The whole program of a bloc is an offense - a degradation of Congress to the clamors of a class."

Road Legislation

Favorable report was ordered by the Senate Post Office and Post Roads committee June 13 on the Townsend bill to create a Federal Highway commission and to establish an interstate system of public roads. (press of June 14.)

Section 3.

Department of Agriculture

1. Referring to the Tincher grain marketing bill, the Chicago Journal of Commerce June 11 says: "Amendments offered by Secretary of Agriculture Wallace represent the 'maximums concessions' the exchanges can make and continue functioning, and Secretary Wallace warned the committee that to proceed further might prove extremely dangerous to the farmer. In light of the Secretary's warning and his statements as to the invaluable services rendered by the exchanges, general sentiment here is that the committee will report the bill in the amended form."

2. Referring to the Haugen bill, Rosenbaum's Review for June 11 says: "The principal objection to the Haugen bill is that it makes the entire packing and stockyard interests subservient to the will or whim of one official, the Secretary of Agriculture, who could use his power to good political advantage in an emergency. ... The logical result of enactment will be an addition to the swarm of bureaucratic parasites intent on padding Uncle Sam's payroll."

3. "It is cause for much satisfaction that Secretary of Agriculture Wallace and Secretary of Commerce Hoover have called a national conference to consider a warehouse receipt plan of financing which is practically the 'Financial Equality' plan proposed by Orange Judd Farmer last year. This plan is steadily winning its way because it is the right plan. It is based on proper use of credit which the farmer always has, and is neither paternalistic nor charitable."
(From editorial in Orange Judd Farmer, June 11.)

Section 4.

Library Accessions

American farm bureau federation. National legislative policy. ... Resolutions passed by the Executive committee...at Washington, D.C. April 11-23, 1921, in conference with representatives of State farm bureau federations. 1921.

Association of millers' organizations, Chicago. The tariff and the wheat price, how it can be made to benefit the farmer. 1921.

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

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Vol. 1, no. 70. Section 1. June 15, 1921.

Farmer-Labor Cooperation

Referring to the address of Samuel Gompers at Denver on June 13, in which he urged that there be a "closer alliance and cooperation" between organized labor and the farmer, an editorial in The New York Times today says: "The difficulties are manifest. Farm and factory are about as congenial as oil and vinegar. The farmer is a consumer of commodities in which labor is the chief item of cost. The laborer is a consumer of the products of the soil. It is to the farmer's interest that labor costs should be kept low, to the laborer's interest that food shall be kept low. Next to high wages, the chief objective of organized labor is shorter hours - which also tend to raise prices and rates. The farmer stands at the other pole, vying with the brainworker in the matter of long hours and diligent application. ... Truly, the way of constructive leadership is as hard as that of the transgressor; but let us assume that Mr.Gompers is undaunted. The farmer's reasonable demand for lower rates and prices he will meet by persuading his 4,000,000 followers to greater efficiency. ... Unfortunately, that is not Mr. Gompers's intention. What he seeks is not the cooperation that leads as a kindly light, but an alliance for rough domination. ... "

Mr. Gompers's Speech

Referring to Mr. Gompers's speech an editorial in Philadelphia Public Ledger today says: "If President Gompers will but recognize it, farmers are turning away from unionism, from 'radicalism' in general and toward business and conservation for help. The great conservative farm bodies, like the Grange and the Federation, are checking the Non-Partisan League and similar 'come-outer' and 'hot gospel' farm trends. The Federation and its affiliations are fighting grain-exchange abuses and packer grievances as well as the profit-swilling distributor; but they are fighting with some aid and much advice from those 'captains of industry and princes of finance' mentioned by Gompers. J.P. Morgan hurries to the aid of the meat producers, and Bernard Baruch is adviser to the farmer-owned United States Grain Growers. Instead of looking to labor for leadership, the farmers are turning rather to the men denounced by Gompers. A farmer-labor coalition has never been near, and is now further away than it has been."

Boll Weevil Fund Favorably Reported

The Senate Agriculture committee yesterday ordered a favorable report on the Norris resolution authorizing the Secretary of Agriculture to expend $200,000 in reimbursing cotton belt states for expenses incurred in compensating farmers for losses due to enforced nonproduction of cotton in zones established for eradication of pink boll weevil. (Press of June 15.)

Section 2.

Canadian Trade Problems

An article entitled "Canada Readjusting Foreign Trade Problems," by W.G. Gates, in The Annalist for June 13, says: "The placing on imports of an extra 1 per cent sales tax, in addition to the general increase in the sales tax, will be borne chiefly by the United States, because it supplies so large a portion of Canada's imports. A stricter interpretation of the anti-dumping feature of the Customs act also bears more directly on the United States than on any other country. In the aggregate, these things constitute an appreciable addition to an already considerable handicap. Indeed it is quite possible that the American exports to Canada may decline to the extent of $125,000,000 a year."

Cold Storage Legislation

A group of food warehouse proprietors, shippers and producers appearing before the House Agriculture committee June 14 recommended passage of what they considered a workable cold storage law. The delegation expressed opposition to drastic legislation. (Press of June 15.)

Cooperative Peanut Farming

The peanut growers of North Carolina and Virginia expect to have the honor of forming the first big southern organizations east of the Mississippi for cooperative marketing on the California plan, according to an editorial in The Progressive Farmer for June 11.

Cotton

1. Adoption of uniform classification of cotton for the world was urged June 14 before the world's cotton conference by W.R. Meadows, a member of the delegation representing the United States, who has charge of the cotton division of the American Department of Agriculture.

"Universal standards would not only simplify methods of handling cotton but would tend to higher standards of ethics in the cotton business," said Mr. Meadows. "Knowing definitely what is expected of him, a shipper would be more likely to make serious effort to meet his obligations on shipments by supplying the grade and staple stipulated in the contract. A most important advantage of universal standards would be the reduced number of arbitrations that are necessarily held in the cotton business each season. By the adoption of uniform standards throughout the world, trading on the future exchanges in both Europe and America will be more nearly on the same basis, future quotations would be more readily comparable, and better hedging facilities would result." (Cable to N.Y. Times and Phila. Ledger, June 15.)

2. U.H. Ziegler, of Liverpool, said at world cotton conference at Liverpool, June 14, that a uniform set of standards for the world was desirable, but that there were difficulties attending the adoption of such standards which perhaps had not presented themselves. The merit of the Liverpool standards was that they were time-honored. Liverpool was a port where all kinds of cotton was concentrated, he continued, and hence Liverpool was a port second to none. E.F. Bushby, a Liverpool man, said that any alteration in the standards would mean the destruction of all the decisions that had been got in the past. E.B. Orme, also of Liverpool,

(Cont'd on page 3.)

Cotton (Cont'd)

2. held that the conference should accept the Liverpool standards, make the American and Liverpool standards come absolutely together and fix the resulting standards as those of the world. It was decided by the conference to refer the matter to a committee. Giorgis Mylius, of the Italian Cotton Association, complained that American bankers demanded too heavy security. R.S. Hecht, of the Hibernia Bank and Trust Co., of New Orleans, said that what worried the average American banker was the political risk, and the American banker required as much protection as he could get against such risk. (Press of june 15.)

Cotton Futures Act

Senator Dial yesterday explained to the Senate his bill to amend the cotton futures trading act by giving buyers and sellers of cotton contracts the option, or requiring delivery of half of the cotton in two grades. That the present cotton futures law was "one-sided, unjust, unfair and not honest" was asserted by Senator Dial. The senator said that on the New Orleans exchange 33,000,000 bales of cotton were sold during 1919, and 71,000,000 on the New York exchange, while the actual cotton production for 1919 was less than 12,000,000 bales. Actual deliveries of cotton on both exchanges, he added, amounted to only 40,000 bales. He said markets were oversold, depressing the price of spot cotton. No action was requested or taken on the bill.
(Wash. Post, june 15.)

Farmers' Finance Corporation

Referring to the Farmers' Finance Corporation, the Economist for June 11 says, in part: "The success of this undertaking cannot be forecast by the unbiased person with as much assurance as is expressed by certain of its champions but success is certainly among its possibilities. It is contingent on obtaining the needed capital, placing the operations of the companies in competent hands and demonstrating that the goods can be marketed more satisfactorily than under present methods. It will be necessary to keep the concern out of the clutches of the politicians, which have wrecked the North Dakota experiment. It is far preferable to the plan of Senator Norris of Nebraska, who proposes a $100,000,000 corporation, the capital to be provided by the Government and the directors to be the Secretary of Agriculture and four others to be appointed by the President."

Farm Implements

Reviewing the census figures for the implement trade, Farm Implement News for June 9 says in an editorial: "The conclusion is that farmers' purchases of machines during the entire period of advancing prices were well below the average, and of course the purchases this season have been the smallest in many years. All of which means that the American farmers as a whole stand in need of a great deal of equipment in order to carry on their operations to the best advantage. And it means also that an enormous sale of agricultural implements is bound to come when the process of adjustment has restored the normal relation between farm crops and manufactured products."

Farm Management

"I am firmly of the opinion that it is possible to quadruple the production of the average farm, but every farm presents a different problem to an extent, from any other farm. The man
(Cont'd on page 4.)

Farm Management (Cont'd)

who manages that farm must study the problem for himself and solve it for himself. He can get a great deal of help from reading. He can get, perhaps more help from observing what other men have accomplished, but finally he must solve his own problem. It takes more brains to be a first class farmer than to be a fairly successful merchant or professional man. A man who has brains enough to make a good banker may lack the intelligence necessary to make a good farmer. ... The small farm properly managed will yield not only a comfortable living for a family of ordinary size, but in addition to that, competence for old age." (From editorial in Kansas Farmer and Mail and Breeze, June 11.)

Farm Tenantry

The alarming increase in farm tenantry in the West and South is revealed by the Federal census just concluded. But in New England, farm tenantry has decreased, both actually and relatively, while it is true that the total number of our New England farms shows a falling off, farm tenantry has decreased to a far greater extent. This is significant of the more solid and substantial basis that New England agriculture enjoys compared to former years. (New England Homestead, June 11.)

Freight Rates

High freight rates and the abolition of the trailer privileges have left their mark on the fruit and vegetable production of Southern Illinois, according to a survey among 72 large growers of Union County, recently finished by the service department of the Illinois Agricultural Association. According to the questionnaire answered, the following percentages of decreased production from 1920 to 1921 obtained: Tomatoes, 29.4; melons, 39.3; sweet potatoes, 20.2; string beans, 43.6; asparagus, 32.2; rhubarb, 17.7. The only increase noted was that in cucumbers, 1.0 per cent. (Ills. Agric. Assoc. News Letter, No. 56.)

French Milk Journal

Le Lait is the name of a new French journal relating to the dairy industry published at Lyon, announced in June Creamery and Milk Plant Monthly.

Grain Legislation

1. Referring to the Lantz Grain bill No. 283, The Chicago Journal of Commerce for June 13 says: "This bill should be defeated. It would place the grain dealer and grower of Illinois under a handicap. It is superfluous. United States Secretary of Agriculture Wallace and a committee of the National House are at work now on a grain bill that will be of national scope, and there is not need of rushing through state legislation on the same subject at this time. Leading bankers and foremost business men of the country have journeyed to Washington to help the national committee to frame a grain bill that will be constructive. The Lantz bill in its present form is faulty. It was not given the consideration that so important a measure should have received."

2. In a review of the Tincher bill, the Standard Daily News Service for June 14 says: "To many it will be surprising to learn that these measures have not been unsympathetically received by (Cont'd on page 5.)

Grain Legislation (Cont'd)

2. leading men in the grain trade. ... The views of men like Hoover, Barnes, and Griffin have been given careful attention. Mr. Griffin ... frankly admitted that over-speculation has at times existed. He stated that the board was seeking to get rid of two admittedly bad trade methods - indemnities, and extension of credit by commission houses for other than hedging transaction ... The one great danger of tampering with the grain exchanges is that the market they provide will be made less 'open' than it now is. Like a sensitive instrument, the records made by the exchange oscillate-fluctuate continually. This very fluctuation indicates the free play of demand and supply influences."

Meat Prices

Delegates to the New York meat dealers convention June 13 estimated that meat sales were down nearly 10 per cent in volume the state over and that retail meat prices generally were one-third to one-half less than the wartime figures. (Jour. of Commerce, June 14.)

Rubber Data To be Compiled

The rubber industry has been informed by W.M. Steuart, Director of the Census, of his plan to inaugurate a monthly statistical report to include stocks, production and other data of value to the trade. (Jour. of Commerce, June 14.)

Sweet Potato Prices

"Louisiana truck farmers are indignant at the treatment they receive from the New Orleans commission houses. Recently a strong agitation developed among the farmers, and statements were published showing the tremendous difference between what the producer got and what the consumer paid. On some items there was a difference of 600 or 700 per cent. Here is a case in point: The farmer got two cents for a bushel of kiln-dried sweet potatoes, and the consumer paid $2.50 for it. The farmer in question, W.E. Mount, of Pontchatoula, La., shipped 10 crates of sweet potatoes to a New Orleans commission merchant. He was informed the market was 90 cents a bushel. The potatoes came to $9.00. Expenses deducted from that were: Express $3.84; commission, 90 cents; drayage, $1.50; crates, at 25 cents each, $2.50, or a total of $8.74, leaving a return to the farmer of 26 cents."
(N.O. dispatch to Phila. Ledger, June 14.)

U.S. Grain Growers', Inc.

"The U.S. Grain Growers' Association is just the farm bureau spread out over the whole United States. Its purpose is to systematize the marketing of the farmers' crops and stabilize the markets by helping the producers hold their crops when the markets are unfavorable and market them when conditions are right. ... It looks as if the men who are pushing this organization have learned wisdom from experience. They understand that if it succeeds it must be both honestly and efficiently managed and they are trying to get the best talent available in the management."
(Kansas Farmer and Mail and Breeze, June 11.)

Wool Sales in Australia

Wool sales have been resumed in Melbourne. The June series comprise 110,000 Australian bales of 310 pounds. Offerings comprised a wide range of merinos from the various districts, including the Queensland wool. (Wall St. Jour., June 14.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 71. Section 1. June 16, 1921.

Grain Marketing Plan In a review of the conference of representatives of agricultural interests with Secretaries Wallace and Hoover for the purpose of providing farm credits through development of grain elevator and warehouse facilities, the Washington Herald today states that the plan to enable farmers to use grain storage certificates as collateral in obtaining loans has been considered by all parties to the conference to be practical and to promise great advantages. It was agreed that the plan requires no Federal legislation and differs entirely from all other plans hitherto proposed, as it revolves upon issuance of the certificates as to quantity and grade by the liability companies, and provides freedom of movement of commodities from local to terminal warehouses if congestion requires.

Loans on Live Stock Plans for the formation of a $50,000,000 banking pool to furnish financial relief to live stock raisers were made at a conference of bankers and live-stock men from all parts of the country, and representatives of the Government, at Chicago yesterday. A committee, headed by George M. Reynolds, of Chicago, was appointed to formulate a general policy. The committee recommended that the pool be formed and that the capital be subscribed by banks throughout the country, the sums to be administered by a group of trustees in Chicago. It was recommended that loans be made on the basis of about 75 per cent of the value of the live stock. This proposal is not exactly in conformity with the idea of the New York bankers, and a further conference will be held within the next few days to arrange all details. (N.Y. Times, June 16.)

Credits and Markets In an editorial entitled "Frozen Credits and Unconsumed Goods" The New York Times today says: "Protection of the margin above market price is the business of the customer, not of the bank. Banks have nothing to do with markets, as our farmers and cattle dealers have learned. Mr. Baruch, who is proposing to help the farmers to finance themselves, founds his plan upon an adequate excess of value of commodities above the loan. Farmers have not been denied such accommodations in ordinary banks on that condition. Just now there is a fresh credit under arrangement for cattle raisers, although only a small fraction of a previous credit was applied for because of the lack of a margin for protection of the lenders. There would be less pressure on domestic commodity markets if our surpluses could be sent abroad."

Section 2.

Butter Tariff

An editorial entitled "A Joker in It?" in The Dairy Record for June 8 says, in part: "We are glad to see the emergency tariff bill enacted, especially, of course, the clauses placing a duty of 6 cents on every pound of butter imported, as well as on other dairy products and on so-called substitutes and raw materials for substitutes. It is to be hoped that these duties will be incorporated in the parmanent tariff law. In the latter law, however, there should be a change in the tariff on cream. According to the emergency bill the tariff on cream is 5 cents per gallon. A gallon of about 30 per cent cream will produce three pounds of butter. The tariff on this butter will be 1.66 cents per pound as against 6 cents on imported butter. Assuming that the 6 cents tariff will tend to keep up the price of butter to a point higher than would otherwise be the case, the centralizers near the Canadian border can ship in butterfat in cream from Canada and the butter made from it will pay 1.66 cents per pound of butter while Canadian butter, if imported as butter, would pay 6 cents per pound. This is unfair to the American dairy farmer but very advantageous to certain American centralizers."

Cooperative Market For Ohio

What is expected will be the largest cooperative vegetable marketing business in the country is being launched by the Cleveland Growers Marketing Co., which is about to build a $200,000 commission house in the heart of the Cleveland commission district. Four hundred vegetable and fruit growers and greenhouse proprietors of that and surrounding counties are members of the association backing the company. The company is said to have under contract 85 per cent of the greenhouse space and 65 per cent of outdoor produce contributing to the Cleveland market. Officials say the annual business will amount to about $30,000,000. (Phila. Ledger, June 16.)

Detroit Marketing Plan

Industrial leaders in Detroit and farmers in nearby territory are preparing an experiment in marketing which is aimed to reduce cost of living for consumers and cost of marketing for the producers. The plan is to quicken movement of produce from farm to consumer, with minimized handling, through a chain of markets over the city. As a test, it is planned to establish one of these markets in a thickly populated residential section of the city this summer. It will be operated on a cost basis, and will be located on a main artery of travel from the country into the city, reducing the haul of the produce to market. (Phila. Ledger, June 16.)

Farm Cooperation Offered Labor

Cooperation of the farmers with the organized industrial workers of the country, "to achieve the ideals of economic, industrial and agricultural as well as political freedom," was pledged by the Farmers' National Council in a telegram received June 15 at the annual convention of the American Federation of Labor at Denver. (Phila. Ledger, June 16.)

Farmer-Labor Party Commission To Russia

The Farmer-Labor party will send a commission, headed by P.P. Christensen, to study conditions in Russia this summer, with a view to learning what can be done to reestablish trade relations, if the necessary arrangements can be made. It expects to sail about July 1. (Assoc. Press dispatch from Chicago, June 15.)

Farmer-Labor Alliance

In an editorial entitled "A Farmer-Labor Alliance?" The Journal of Commerce, June 15 says: "The community of interest upon which Mr. Gompers relies is illusory or, if existent, based upon false premises. It should be needless again to point out the falsity of the idea that 'captains of industry' or 'the princes of finance' are in league to fight the farmer. They would have nothing to gain and much to lose by injury to agriculture in this country ... The best interests of labor cannot be served by merely combative tactics ... Appeals like that of Mr. Gompers can do neither labor nor the farmers any good."

Filled Milk Legislation

"Congressman Voigt, of Wisconsin, has introduced a bill designed to prohibit the manufacture and sale of 'filled milk' -- that is, milk from which the butterfat has been removed, and vegetable oil substituted. Even honest labeling would not prevent a certain amount of fraud in the traffic in such products, and an appalling lack of understanding as to their food value, especially on the part of certain classes of people in the large cities, as investigations have already shown. As a measure on behalf of public health, honest business and a square deal to the consumer as well as the milk producer the Voigt bill ought to have been enacted into law." (The Dairy Record, June 8.)

Foreign Trade For May

The usual statement of foreign trade of the United States, just issued by the Department of Commerce, shows a decrease of over $1,000,000,000 in both imports and exports of merchandise during the first 11 months of the fiscal year as compared with the corresponding period of the previous year. Value of imports of merchandise for 11 months ending May 1920 was $4,685,746,580; for 11 months ending May 1921, $3,471,876,288. Value of exports for 11 months ending May 1920 was $7,479,611,905; for 11 months ending May 1921, $6,179,603,978. (Commerce Reports, June 13.)

Foreign Trade Of Canada

The volume of Canadian trade in May, 1921, was $129,038,951, a decrease of $64,700,087 from 1920. Exports of domestic merchandise last month were $59,567,992, as compared with $77,342,578 in May, 1920. Agricultural and vegetable products mainly classified as foods were the only items to increase. They totalled $26,417,669 as against $18,772,559 for 1920. (Phila. Ledger, June 16.)

German Wheat Crop

The 1921 wheat crop of Germany will be of "better than average volume," according to a statement issued at Berlin June 14 by the food controller, who also states that for the first time since the war the country finds itself with grain on hand on the eve of a new harvest. (Assoc. Press dispatch to N.Y. Times, June 16.)

Labor for Kansas Wheat

With the Kansas wheat harvest under way a week earlier than anticipated, the supply of harvest hands is far short of the demand, according to reports received June 15 by the labor division of the Kansas Industrial Court. It is estimated that 30,000 extra hands will be required. (Topeka dispatch to Phila. Ledger, June 16.)

Live-Stock Tariff

The emergency tariff of the United States of 30 per cent on all cattle shipped into the country is regarded by ranchmen in Mexico as a severe blow to the industry. The heavy tax on sheep and goats also will prevent many of these animals from being exported to the United States. (Monterey dispatch to Wall St. Jour., June 14.)

Neutralized Butter Ruling

"The centralizers and others interested in fighting enforcement of Treasury Decision 3120 have again been successful in having enforcement of the decision postponed, this time till July 1, according to the New York Produce Review. This Treasury Decision rules that under the revenue laws butter made from decomposed or rancid cream which has been neutralized, as well as butter made from cream of high acid and bad odor, and which has been neutralized, is adulterated butter." (The Dairy Record, June 8.)

New York Commissioner Of Farms and Markets

Judge B.A. Pyrke, of Port Henry, was named as Commissioner of Farms and Markets for New York state by the Council of Farms and Markets at Albany, June 13. The position is a new one, having been created by the legislature at the last session. (Jour. of Commerce, June 15.)

Pure-Bred Stock for Colombia

Referring to the Colombian pure-bred live-stock law, the June 9 Iowa Homestead says in an editorial: "This law will undoubtedly materially increase the number of pure-bred animals that Colombian importers will bring into that country during the next few years. American breeders should make a strong and determined effort to capture the pure-bred live-stock market as soon as possible. The greater the number of cattle and hogs imported into Colombia and other states in the near future the greater the demand for good blood lines will become. The various breed associations should take hold of this idea and develop it to the fullest extent possible."

Road Legislation

Commenting upon the provisions submitted to Congress by Thomas H. MacDonald, Chief of the Bureau of Public Roads, Good Roads for June 1 says: "Thus does Mr. MacDonald point out the principles on which any Federal aid legislation should be based. The states in furnishing at least half of the funds with which to improve Federal aid roads, should be allowed to determine what roads should be improved subject to review by the Government. The assumption on the part of the Federal Government of the exclusive rights of prescribing routes, road widths, types of pavements, etc., the states bearing half of the cost, is directly opposed to the policy of self-determination."

Rubber

The crude rubber market approaches a state of demoralization. The big manufacturers of rubber goods have cut their buying to the bone, while the world supplies pile up. As a result prices are tumbling. ... The proper limitation of supply to meet the great falling off in demand is something that seems difficult to achieve. (Standard Daily News Service, June 14.)

Seattle Reindeer Meat Port

The Seattle port commission has reduced its cold storage rates to importers owning 30,000 head of reindeer. This action makes Seattle the distributing port for the Alaska reindeer meat industry, now increasing at a heavy rate. (Seattle dispatch to Phila. Ledger, June 16.)

Soya-Bean Sales Abroad

"There are reports of sales of large quantities of soya-bean oil in the East to European buyers, which is indicative of a tendency that may be expected as an inevitable result of a tariff." (Standard Daily Trade Service, June 14.)

Sugar Trade Effects On Cuba

"Cuba is in a depression familiar to those who know the perils of a one-crop country. The troubles of Cuba are not foreign to those who have watched the struggles of the cotton belt where low prices and over-production have periodically set back an entire region in its efforts to overcome the ruin of a war of half a century ago. Whether Cuba, like the South, will attempt crop diversification and some increased measure of industrial development, is a matter for speculation." (Standard Daily Trade Service, June 15.)

Woolen Workers in Britain Accept Wage Cut

The British woolen workers wage conference has agreed to a reduction in the pay scale of 10 1/2 to 12 per cent for men and 7 to 9 1/2 per cent for women per week, the reduction to date from July 9. (Jour. of Commerce, June 15.)

Wool Tariff

The Ways and Means committee has abandoned the time-honored method of constructing the rate structure of schedule K, which was to fix the base rate on grease wool and then make all other rates conform by accepted ratios to that. In the new permanent tariff bill the base rate will be the pound of scoured wool, and on that the committee has now agreed on a rate of 25 cents a pound. All other rates will be keyed to that figure. (Jour. of Commerce, June 15.)

Department of Agriculture

"Belated Recognition" is the title of an editorial in Implement and Tractor Trade Journal for June 11, which says: "Those who have felt the need for more accurate figures on the production and sale of farm equipment are sure to welcome the announcement that the United States Department of Agriculture is preparing to compile such statistics. Anyone who has done any research work in this field sooner or later encounters the obstacle of inaccurate or incomplete data. Of course, it is realized that even the agents of the Department of Agriculture can, in the end, reach only an approximation. But owing to the official character of their connection, this should be as nearly correct as it is possible to attain. The decision of the Department to do this work is belated recognition of the farm equipment industry, in reality a part of agriculture itself. The figures, when obtained, should be reliable enough to serve as a gauge for contemplated production and remove the necessity of much guesswork."

Section 4.

Library Additions

Boyle, J.E. The Chicago board of trade. What it is and what it does. 1921.

Cotton seed crushers' association of Georgia. Report of the proceedings of the 16th annual convention. 1920.

Earp, E.L. Rural social organization. 1921. (Contains Selected bibliography)

Federazione italiana dei consorzi agrari. L'organisation et l'activité de la Federazione. 1921.

National foreign trade council, New York City. Commercial possibilities of the Union of South Africa. A survey of the recent industrial expansion and the mineral and agricultural resources of a market presenting great possibilities for American enterprise. 1921.

Simpson, Kemper. The capitalization of goodwill. 1921. (Johns Hopkins university studies in historical and political science. ser. 39, no. 1.)

UNITED STATES DEPARTMENT OF AGRICULTURE

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Vol. 1, no. 72. Section 1. June 17, 1921.

Packer Bill Blocked. The Senate yesterday rejected the packer regulation bill recommended by its Agriculture committee and then adjourned until to-day, with the regulatory bill recently passed by the House and a new measure submitted by Senator Sterling pending before it. (Press of June 17.)

Funds for Live-Stock Men "Bankers from the West will meet bankers from the East in the offices of J.P. Morgan and Co. to-day and complete arrangements for the loan of $50,000,000 to be extended the cattle industry ... Between 15 and 20 New York institutions have agreed to join the cattle pool to the extent of $25,000,000. This will be augmented by an equal amount from banks in the West, of which Chicago, St. Louis and Kansas City will be the largest contributors. The money will be available here in just the proportion that the banks of the West make their contributions. The plan is to make six months' advances on cattle, through loans approved by a board of bankers in Chicago, who are familiar with this class of paper. By limiting the loans to six months' periods the paper will be eligible for rediscount at the Federal Reserve Banks, thus lifting from the banks the burden of carrying it. The six months paper carrying the current rate of interest will be subject to review upon maturity and renewal if the loan is still sound." (N.Y. Times, June 17.)

Bread Profiteering Charged In Senate Profiteering on the part of the bakers of the nation's bread was charged by Senator Capper in a speech at last night's session of the Senate. He said in part: "With a maximum cash decline in the price of wheat of nearly 38 per cent in the year ending May 15, and a maximum decline in the price of flour of 40 per cent, [illegible], the size of the crust the bakers of ten of the leading cities of the country hand the public varies remarkably from a measly decrease of but 6 per cent in New York to a maximum reduction of only 21 per cent in Boston. Even out in the wheat country itself the bakers are still exacting high prices. Out on the farms the price of wheat is back almost to pre-war levels, but the five-cent loaf of pre-war times is only a memory." (Press of June 17.)

Sheep Growers To be Aided Announcement was made June 16 by bankers of Minneapolis and St. Paul of a loan pool to help Montana sheep growers. The pool has been formed and an amount guaranteed equal to what is advanced on the clip by the Boston wool buyers, so that the sheep growers may be able to hold their wool for better prices. (Minneapolis dispatch to Phila. Ledger, June 17.)

Cheese Marketing

"There are those who believe that we already have too many varieties and too many styles of cheese, but as a general proposition the wider the variety in which cheese is offered to the public, the more likely is the demand to be increased." (N.Y. Produce Review and American Creamery, June 15.)

Citrus League Refuses Cut

The directors of the California Citrus League have tentatively refused the offer of California railroad lines to reduce freight rates on citrus fruits approximately 10 per cent if shippers would abandon plans for further development of water-transportation facilities, according to a dispatch from Los Angeles to Philadelphia Public Ledger, June 17.

Cotton

1. "There is little likelihood of the adoption of the American standard of grading by the World Cotton Conference at Liverpool and Manchester, cotton men here say, but an excellent chance for the adoption of a compromise set of standards which will rule throughout the world. Eager interest was manifested in the special cables from the staff correspondent of the Journal of Commerce giving the discussions in which William R. Meadows of the Department of Agriculture took the lead.

" 'Mr. Meadows gave the British an unanswerable reply,' one prominent factor in the trade said. 'But you must not forget that precedent and custom make it difficult for the English cotton man to change his standards. From the beginning of the cotton trade Liverpool standards have governed the cotton trade of Europe. ... The cotton consumption world reached by Great Britain, and that has meant practically the whole world save the United States, has bought and sold its cotton on the Liverpool standard. To change that standard would mean changing the standard for many countries. In the light of this known fact, it seems a bit unreasonable to expect that the standard will be changed to meet our grading, but it may be modified. That, in itself, would mark the beginning of the breaking down of the world acceptance of Liverpool standards'." (N.Y. Jour. of Commerce, June 16.)

2. "Playing Safe with Cotton," is the title of an article by E.V.Wilcox in The Country Gentleman for June 11, in which the author states that this year, and perhaps from now on, the question is not whether the cotton plants shall be chopped out so as to stand 12 or 14 or 18 inches apart in the row, but whether one-quarter or one-third or one-half of the cotton acreage will be chopped out. He says: "In a recent trip through the Cotton Belt I inquired everywhere what effect the low prices of cotton and the high freight rates on food products brought in from the northern states will have on the size of our national cotton patch. Everybody was agreed that the acreage is being cut. Opinions varied quite widely as to how big a cut has been made -- from 25 to 50 per cent, with probability pointing to 30 per cent. ... After seeing cotton bales piled up in unusual quantities out in the rain all over the South, gimneries full and some of it still unpicked or fallen on the ground, I joined the ranks of those who are urging a food-plus-cotton program for the South. If, as now seems likely, high freight rates force a system of local food production upon the Cotton Belt, they will do what mere argument has thus far failed to do and will be a blessing in disguise."

Cotton Marketing

" 'British interests will be disposed to welcome the plan of American cotton growers to do away with the system responsible for the unloading of a season's crop within a few months following harvest, and, instead, extending the process over a year's period,' says the Manchester Guardian in a recent editorial. 'The process is not, however, an easy one,' it comments. 'A great part of the crop is produced by persons of small means, and, as a consequence, there are far too many middlemen to leave an adequate share of the ultimate price for the grower. These middlemen, however, only exist because they render service, and the cooperative system which it is proposed to set up will have to be very strong to displace them all. The spread of market operations over the whole year, of course, involves the use of a considerable sum of money, and if the existing banks cannot provide that on satisfactory terms we do not see much hope of any other organization doing so. Actual waste can, of course, be avoided, but we hardly think it is such waste as that caused by bad packing which supporters of the movement have in mind.' "
(N.Y. Daily News Record, June 16.)

Cotton Mill Workers in So. Carolina

A slight decrease in the number of cotton mill employees in South Carolina is noted in the reports of the cotton mill inspectors to the state department of industry and commerce, which report covers the period from Jan. 1, 1921, to June 1. During that period a total of 50,276 people were employed in the mills as against a total of 52,428 for the same period in 1920. (N.Y. Daily News Record, June 16.)

Cotton To India

Recently 3,000 bales of cotton were shipped from Galveston to Bombay, and bookings for several thousand additional bales have been made. The present movement of cotton to India is preparatory to the taking of full cargoes out of Galveston, for Bombay and Calcutta. (Galveston dispatch to Wall St. Jour. June 16 .)

Cotton Wage Agreement In Britain Reached

A settlement of the British cotton dispute has been brought nearer by a recommendation made June 15 concerning terms made by the representatives of employers and operatives, involving an immediate wage reduction of 46 pence in the pound and a further reduction of 7 pence at the end of six months. The belief is that the operatives will accept the recommendation. (Manchester cable to Jour. of Commerce, June 16.).

County Development

In an article entitled "Counties That Go Ahead," in The Country Gentleman for June 11, E.H. Taylor tells how Bourbon County, Kansas, "junked its old set of ideas and got new ones that paid." He describes how after a fifty-year tryout of grain with results "painfully apparent," Bourbon County's salvation has been attained through a combination dairy and cash-crop system.

Dairyman's League Operations

On June 2 the Dairymen's League was operating 94 plants, handling a daily quantity of milk of 1,460,428 pounds. This makes the League one of the largest manufacturers of dairy by-products in the country. The different plants manufacture nearly every kind of dairy product and from some of them fluid milk is shipped. Most of the plants were taken over by the cooperative association in order to provide cooperative members with a market for their milk. (N.Y. Produce Review and American Creamery, June 15.)

Financing Agriculture

In an editorial entitled "Farmers Should Finance Their System," The Country Gentleman for June 11 calls the farmers' attention to Federal Farm Loan bonds as a safe and profitable investment, saying: "We, as farmers, should see to it that it commands every dollar of idle capital which farmers and their friends can command. If every dollar of loose money held by farmers for investment were used in buying these bonds the system would need no more. ... The bonds are as safe as government bonds."

Financing Live-Stock Industry

In an article on the Chicago conference of Government officials, bankers and farmers in the interest of live-stock men, in Chicago Journal of Commerce, June 15, William L. Ayers says, in part: "That there is necessity for prompt action cannot be denied. Sheepmen particularly are at a crisis, and unless they are saved from bankruptcy and near-bankruptcy it will react on the public next fall in an ascendancy of meat prices at high level. ... Cattle loan men declare that the situation in the live-stock industry to-day probably is more serious than at any time in history. There is vital need for immediate credit to finance the live-stock interests' investment in their herds. All their funds have been eaten up by running expenses, such as overhead and rental for grazing lands."

Fur Exchange Discontinued

The passing of the International Fur Exchange at St. Louis, at which some of the largest auctions in the history of the trade were held, was announced at St. Louis June 16, according to the press of to-day.

German Crops

Referring to Germany's favorable crop report, a Berlin cable to the Philadelphia Public Ledger, June 17 says, in part: "These conditions probably will facilitate the task of Food Commissioner Hermes, who is trying to put through the Reichstag a new scheme of government control of bread grains. This is a compromise between the wartime system of full government control with expropriation of the entire grain crop and that of the removal of all restrictions for which the agricultural interests have been striving. ... Herr Hermes proposes to require the farmers to contribute to the common needs of the country 3,000,000 tons of wheat and rye at fixed government price and to authorize them to sell the balance of the grain in the free market at prices which probably will approximate the world's market price."

Iowa's Agricultural Supremacy Threatened

"Can Iowa Maintain Her Lead?" is the title of the first of a series of articles on Iowa by Harry R. O'Brien in The Country Gentleman for June 11, in which it is shown that other states are crowding Iowa closely for agricultural domination. The author says: "If the apple crop of New York last year had sold for five cents a bushel more, Iowa would have been pushed down to third place in the total value of all crops grown. If, in addition, the oat fields of Illinois had averaged one-tenth of a bushel more to the acre, that state would have gone ahead also and Iowa would have dropped to fourth place. And if, also, California's potato crop had sold for eleven cents a bushel more, Iowa would have been shoved down to fifth place." Reviewing the merits of many other states in relation to those of Iowa, and presenting many factors which are hindering Iowa's continued agricultural development, the author says: "Iowa is a state of mind. That

(Cont'd on page 5.)

Iowa's Agricultural Supremacy Threatened (Cont'd)

is my answer to the question as to what is the matter with the state. Her farmers have grown prosperous far beyond the dreams of their frugal pioneer forefathers. There has grown up in the last twenty years in Iowa a landed aristocracy. ... The point has now been reached where the state must chuck overboard all dead weight and get up steam for a real race, but at least one other heavy handicap that has not been discussed must be carried."

Milk Production Costs

A study of the costs of producing milk, butter and cheese in the United States has been prepared by the National Milk Producers' Federation, through the cooperation of its fifty or more unit organizations, and will be released for publication in the near future. Secretary Hoffman states that the investigation has cost upwards of $25,000 and is the best effort to collect the facts from all parts in the United States in a simultaneous and well-organized manner that has ever been attempted. The data are collected for use in tariff hearings primarily. The study will contain comparative statements showing cost here, in Canada, Argentina, New Zealand, Holland and Denmark, figures for the foreign countries being the best available from consular and other sources. (N.Y. Produce Review and American Creamery, June 15.)

Nonpartisan League

1. "The New Day Wanes" is the title of the last of a series of articles by Philip S. Rose in The Country Gentleman describing the operations and influence of the Nonpartisan League. In this (June 11) issue he tells of "the green fields of other states" which are attracting the league. He states that the National Nonpartisan League is now working in twelve states, all west of the Mississippi River except Wisconsin, and gives the result of personal investigation made in a number of those states. He concludes: "Some day the fires in North Dakota will burn themselves out. ... To North Dakota the play is a near tragedy, but to the rest of the country North Dakota politics is a huge comedy with just enough serious elements to claim the attention of all thinking people."

2. An editorial in The Country Gentleman for June 11 entitled "A Living Object Lesson" describes the baneful effect of the Nonpartisan League upon conditions in North Dakota and its influence in Minnesota. It says of Kansas: "Townley will find Kansas a hard nut to crack, much harder than any of the other states in which he has operated. ... If the Nonpartisan League depends for its future strength on Kansas it may as well begin to make its last will and testament. North Dakota is too glaring an object lesson to be overlooked."

Rice Marketing

"The National Federated Farm Bureau has relinquished handling rice and hereafter the rice crop will be handled by the American Rice Growers' Association." (St. Louis dispatch to Jour. of Commerce, June 16.)

Wool Tariff

In explaining his position on the inequity of a straight specific tariff on wool, Edward Moir of the Crown Mills, Marcellus, N.Y., president of the Carded Woolen Manufacturers' Association, has written a letter to F.J. Hagenbarth, of Spencer, Iowa, president of the Wool Growers Association, suggesting that the growers accept a reasonable ad valorem duty on the raw material in Schedule K. (Jour. of Commerce, June 16.)

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Vol. 1, no. 73. Section 1. June 18, 1921.

House Packer Bill Passed By Senate

The House Packer bill, with substantial amendments, was adopted June 17 by the Senate. It establishes the principle of government supervision of the live-stock and meat-packing industries. The more important amendments made by the Senate included one by Senator Kenyon requiring packers and stockyard operators to keep such records and statements of account as the Secretary of Agriculture may require, and authorizing the Secretary to prescribe uniform methods of accounting and to examine business methods. Another amendment adopted is designed to remove the small butcher from the regulation. The bill, as passed, forbids the packers to engage in unfair or deceptive practices, to apportion the supply by interdealing, to restrain commerce or create monopoly, or to manipulate prices by inter-dealing. It also prohibits stockyard operators from charging unreasonable rates or engaging in deceptive practices. (Press of June 18.)

Bankers Agree On Loan to Cattlemen

Bankers from Chicago and vicinity, meeting in New York June 17 with J.P. Morgan, made preliminary arrangements for extending a loan of $50,000,000 to the cattle industry in the Southwest and other sections of the country. New York bankers agreed to raise one-half of the sum, and it was understood assurance was given by western bankers that they would raise the remainder. (press of June 18.)

Fall in May Food Prices

Retail food prices to the average family declined 4.8 per cent in May as compared with April, while wholesale food prices dropped 5 3/4 per cent in the same period, according to statistics made public yesterday by the Department of Labor. The drop in Washington was 5 per cent. The greatest drop, 8 per cent, was in Milwaukee and St. Paul. General wholesale prices, including farm products, food and miscellaneous commodities, declining approximately 2 per cent during the month. The decline from the peak prices of May, 1919, amounted to 33 per cent in retail food prices and 44 1/2 per cent in general wholesale prices. The drop in wholesale prices includes a 53 1/2 per cent decline in manufactured food products and a 52 per cent reduction in the prices of farm products. (Assoc. Press, June 18.)

A. F. of L. Will Fight Packers' Pay Cut

The American Federation of Labor, in convention at Denver June 17, unanimously pledged its support to the packing house workers of the country in their fight against further wage reductions. (Assoc. Press, June 18.)

Section 2.

Canadian Storage

An analysis of the storage facilities for grain in Canada shows that Saskatchewan has the largest number of elevators and Ontario the greatest storage capacity. The total number of elevators in Canada is placed at 4,485, with a capacity of 231,213,620 bushels. (Jour. of Commerce, June 16.)

Cotton Strike In Britain Settled

The British cotton strike was settled June 17, the United Textile Workers, representing all branches of cotton representatives, at a joint meeting, accepting the employers' offer for a settlement. Arrangements are being made for a return to work June 20. (Assoc. Press dispatch from Manchester, Eng., June 18.)

German Grain Bill Adopted

The compulsory delivery of 2,500,000 tons of grain by German producers out of this year's harvest is provided for in a bill adopted by the Reichstag June 17. (Assoc. Press dispatch from Berlin, June 18.)

Pulp Resolution Passed

A resolution authorizing the President to open negotiations with Canada and the Maritime Provinces for abrogation of provincial and dominion regulations restricting exportation of pulp wood to the United States passed the Senate June 17 and was sent to the House. (Press of June 18.)

Swiss Tariff

The new Swiss customs tariff has just been difinitely announced by the Swiss Government and will come into force on July 1. No less than 126 articles, mainly food, drink and clothing, are affected, the duties being in all cases raised, often as much as 300 per cent. Wheat, of which much came from the United States, will pay 90 centimes per hundredweight instead of 30. (From extensive cable from Berne June 17 to N.Y. Times, June 18.)

Truth-in-Fabrics Bill

"The truth-in-fabrics bill is up before Congress once more, and is being backed by wool growers and farmers generally. ... The manufacturer will naturally fight this legislation, yet there can be no good honest reason for opposing it. The bill does not prohibit the use of shoddy; it merely states that when this substitute is used the public must be informed. The result would be to draw the line clearly between shoddy and all-wool goods. ... The result would be a greater use of wool and far more satisfactory cloth. Legislation of this sort is needed, and now is the time to put it over." (From an editorial in The Rural New Yorker, June 18.)

Wool

Outstanding features of the wool trade is the increased call for the raw material, cables from Australia, New Zealand, South Africa and South America indicating there is a greater disposition on the part of European users to invest in the raw material. (Correspondence from Bradford, Eng., to Phila. Ledger, June 18.)

Section 3.

Library Additions

Warbasse, J.P. The co-operative consumers' movement in the United States. 3d rev. ed. 1920.

Warbasse, J.P. Co-operative education; the duties of the educational committee defined. New York, Co-operative league of America, '20

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 74. Section 1. June 20, 1921.

The Packer Bill Referring to the passage of the House packer bill by the Senate June 17, The New York Times says in an editorial to-day: "The big packers are declared specifically to be subject to the Sherman Anti-Trust act and are placed under the regulation of the Secretary of Agriculture on the analogy of regulation of the railways by the Interstate Commerce Commission. ... Under the rule of reason, size of combinations is not a crime if conduct is good. The record shows that as a rule the larger the corporation the cheaper its prices, and that the dissolution of great combinations has been followed by increases in prices. ... The packers' profits are made by economies which are in relation to the size of their business. If the size of their operations is to be reduced, farmers are not likely to get more for their cattle and hogs, but meat eaters are likely to pay dearer for their bacon and beef. ... Senator Edge expressed a general feeling that the packer bill is abandonment of the Republican policy of 'less government in business,' and substitution of the government of business as the main business of the Government. What private business may not be regulated as if it were public if once the precedent is set by the Packer bill? And who knows how the packers will be regulated if the proposal to subject them to the Secretary of Agriculture becomes law?

"Apart from all considerations affecting the packers specifically, it is desirable that this should continue to be a Government of laws rather than that the price of cattle should be raised at the cost of turning it into a Government of men. If any business is to be regulated at the discretion of any bureau or commission or man, at least the law should name some principles or standards to be followed. The country has had so recent and flagrant an example of deplorable results from the omission of such in the regulation of railways that, if the Packer bill is to become law, it ought not to be without instructions to the unfortunate Secretary charged with a duty too great for any one brain."

Agrarian Credit In an editorial on the new bankers' loan plan for financing cattlemen, The Washington Herald to-day says: "To The Herald the most praiseworthy feature is that all loans are to be for production; nothing will be provided for consumption — anything a farmer may need, anything he should have which will increase his productive capacity, whether cattle or other animals, machinery, dynamite for clearing or other like agency. The principle under this is correct, that there can be no such thing as inflation of credit where it is based solely on production, and, in the case of the farmer, on the increase of actual wealth. Such credit extended in this way is perfectly sound. Increased production will in itself pay the loan and there is the added security of insurance."

Section 2.

Cattle Shortage

The number of cattle for each 100 persons in the United States is to-day one-third less than in 1900, the sheep supply is reduced nearly two-thirds, while the number of hogs is fully 41 per cent less now than then, according to figures compiled from the Federal census reports by Herbert Myrick, a farm expert for a farm publication. Declaring this "alarming shortage" in livestock is such as to furnish a meat supply only about half as great for each person in the country as formerly, Mr. Myrick said "the decline during recent months in prices to producers constitutes the gravest economic crime ever perpetrated upon the farmers of America." ... Mr. Myrick charged the United States Department of Agriculture for years has overestimated the number of sheep and swine and declared the Department's estimate for January, 1920, was in error no less than 28 per cent. ... (Assoc. Press, June 20.)

"Class Legislation"

1. "The American Farm Bureau Federation is polling its membership of over a million regarding sixteen questions on finance, transportation and taxation. This quiz should receive the respect customarily shown to indications of popular opinion in a country of universal suffrage. The farmers first ask for a vote on 'commodity financing, based on bonded warehouse receipts.' The farmers should have it. ... The farmers' second question asks opinion on 'live-stock financing based on an adequate pledge of animals.' The farmers should have that, too, because whoever has goods should have credit. ... The farmers' sixth question seeks opinion regarding a constitutional amendment 'prohibiting the issuance of all tax-free securities.' The nation could not take authority to forbid the States to issue securities free from state taxation, and the states could not control Federal taxation. ...The farmers are on the right tack, but need a lawyer. ... 'An adequate reduction of freight rates' is desirable and desired by all. 'Farm-to-market' roads should be built before transcontinental roads, because farm-to-market roads enlarge the area of cultivation and feed the long-distance traffic of the railways, whereas transcontinental traffic by highway is useful to only an inconsiderable part of the citizenship. The Great Lakes St. Lawrence waterway should be left to private capital and a more convenient season. ... A similar answer should be made to the twelfth question, regarding 'other waterway development for transportation, reclamation and power.' No man alive can see the end of that proposal, for good or ill. The packers should not be placed under regulation by the Government for the sake of the farmers' market for cattle. The courts are better regulators of business conduct than the Department of Agriculture or any other bureau. ... Truth-in-fabric legislation is thought by many to be fraudulent in itself, and with a selfish reason. No Federal legislation is necessary for farmers' cooperative marketing. ... These answers are from the standpoint of a desire to consider all interests on their merits. What will the farmers' answers be?" (From editorial in N.Y. Times, June 19.)

2. "There has been much loose talk lately about the cooperative laws, both Federal and State, which were passed to enable farmers to organize business enterprises. Since farmers have really begun to make use of these laws, so as to protect themselves in their business of (Cont'd on page 3.)

"Class Legislation" (Cont'd)

producing and selling, other interests which have done this business for them (at a great price) have begun to bestir themselves. Their plan is to frighten farmers by saying that these cooperative laws are unconstitutional. That is intended to frighten the farmers. They are claiming that all these laws represent 'class legislation.' The object of that howl is to increase the bitter feeling between consumer or city men and the farmers. ... Never bother about the 'class legislation' part of it -- go ahead and organize." (The Rural New Yorker, June 18.)

Cotton

New York Daily News Record for June 17 publishes the first installment of a lengthy treatise on cotton yarn and cloth contracts, read by John Taylor, British solicitor, at the June 16 session of the World Cotton Conference. The Record says: "In scope and purpose, the paper is truly a masterpiece, and although dealing primarily with British contracts, American cotton spinners and manufacturers should find in it much information of value and guidance."

Cotton Cloth Prices

Melvin T. Copeland, Professor of Marketing and Director of the Bureau of Business Research, Harvard University, speaking on June 16 before the World Cotton Conference at Manchester, Eng., told of the progress being made in the compilation of comparative prices of cotton cloth in several of the world's markets. He outlined the plan by which these comparisons are made, as worked out under his direction by the research committee of the National Council of Cotton Manufacturers of the United States. The plan is outlined in The Journal of Commerce for June 17.

Cuban Consular Fees

A bill providing for increased consular fees has passed one house of the Congress of Cuba. The fee for invoices of merchandise exported to Cuba will be raised from 10 cents per $100 to one-half of 1 per cent of the invoiced value of the merchandise. (Commerce Reports, June 15.)

Farmers and Congress

In an article under the title "Farmers Impress Congress," J. Clyde Marquis tells in The Country Gentleman for June 18 that the recent personal conferences between farmers and congressmen have resulted in closer cooperation. He states that no organization has benefited more from this contact than the American Farm Bureau Federation, and says: "Their earnestness, sincerity and determination have largely offset any unfavorable impressions that may have been created by past experiences." Reviewing the Federation's new program of action, the author states that this program touches upon practically every question that has been raised in Congress this year and a few questions that are to command attention in the next regular session. He says, also: "The several conferences which the American Farm Bureau Federation leaders had with members of the Cabinet and the members of other Government bureaus served to establish contacts which will be of far-reaching mutual benefit. ... There are many signs that point toward a new period in which agriculture as an industry will sit in closer conference with government leaders, legislative and executive, and with the representatives of other business in working out national problems."

France to Drop Grain Imports Ban

French prohibition of the importation of wheat and cereals will be abolished on August 1, according to a decree published in the official journal June 17. (Paris dispatch to press of June 18.)

Ice Cream Profiteering

"One of the greatest profiteering jobs of this age of profiteering is done by the ice cream dealers. In most cases their prices are as high as ever, while milk and its products have come down. In New Jersey this would not make so much difference, since Governor Edwards has made it possible to use cocoa-nut oil in 'ice cream'. He has made it possible for the dealers to sell 'ice cream' so made that there is nothing honest about it except the ice. But this cream is selling all the way from $1.20 to $4.80 a gallon! ... The result is that the dealers are making a profit of 300 per cent or more, while the lack of demand for cream is a serious injury to the dairy business. There seems to be only one remedy -- that is for farmers to make pure ice cream and sell it at a fair price." (The Rural New Yorker, June 18.)

Iowa's Abandoned Farms

"Iowa's Abandoned Farms" is the title of an article by Harry R. O'Brien in The Country Gentleman for June 18, which tells of the disastrous effect of the Iowa land boom of 1919 and how the inflated, speculative prices of land have affected the state. The article says, in part: "While the land boom was on men from the United States Department of Agriculture came out to Iowa and made a study of it. Going back to Washington, they worked over the figures and last winter made the statement that, contrary to general belief, probably less than 10 per cent of all Iowa farms changed hands during the boom. This statement is inaccurate, being based on insufficient data. When the figures are all gathered up and tabulated many believe they will show that anywhere from 20 to 25 per cent of all farms in Iowa changed hands, and in some counties it ran much higher than this."

Italian Grain Trade Restrictions Removed

The Italian government has decided to remove the restrictions on the importations of cereals and to grant free domestic trade the grain from August 1. The government will purchase the Italian wheat crop at a guaranteed price. (Commerce Reports, June 16.)

Milk Prices

The board of directors of the Dairymen's League Association June 19 recommended the following scale of producers' prices for July, based upon pasturage and other conditions: For 3 per cent milk at the 200-210 mile freight zone, $2.20 per 100 pounds; milk for cream, plain condensed, evaporated and milk powder, $1.85; milk for sweetened condensed, evaporated and milk powder, $1.50; milk for butter and American cheese to be determined by average wholesale prices during month of delivery. (N.Y. Times, June 20.)

Pure-Bred Live Stock

"Pure-Breds Do Pay" is the title of an article by William Johnson in The Country Gentleman for June 18, in which the author analyzes and answers the following questions: "What actual value does a pure-bred dairy bull transmit to his daughters? Is it enough greater than that of the scrub or grade sire to justify all the fuss made about using the latter? Can it be proved that a man who uses scrub or grade sires is actually cutting down his own income? Summing all the questions up, do pure-breds really pay their way on a plain, everyday farm?" Telling how Lake County, Illinois, personally investigated, reduces the question to dollars and cents, clearly demonstrated by means of a table showing dairy returns for 1919, the author says: "the results sum up an argument for pure-bred as against scrub bulls that no man with any respect for his pocketbook can afford to ignore. ... (Cont'd on page 5.)

Pure-Bred Live Stock (Cont'd)

Between the herds which had used pure-bred bulls an average of five years, and those headed by grade or scrub bulls, there is a milk-sales difference of $94 an animal -- in favor of the first, of course!

Section 3.

Department of Agriculture

1. "Ways are Suggested for Aiding Farmers" is the title of an article by Will P. Kennedy in Washington Star June 19 in which he reviews two recently outlined Government plans for relieving agricultural conditions. One is that of the committee on economics of Department of Agriculture officials organized by Secretary Wallace to consider some of the most important economic problems in agriculture, notably transportation, rural credits and finance, tariff and foreign market investigations. The other is the special joint Congressional committee recently organized for the purpose of making a general survey of agricultural conditions throughout the country.

The article says, in part: "The Wallace committee on economics is to correlate and bring together the information within the Department bearing on the agricultural situation, to point out what action might be taken to alleviate the situation, to consider in what way the Department might redirect its activities or reorganize its forces, and to formulate, so far as practicable, a long-time program that would bring about well-balanced agriculture. This committee would always keep in mind the intimate relationship and interdependence of agriculture and other industries. The existence of this committee will make it possible for the Department of Agriculture to counsel better with the special Congressional committee, bringing to a focus all the information within the Department bearing upon the problem the Congressional committee is considering. This economic committee will also consult agricultural leaders, specialists in colleges and the men who are devoting their lives to a study of the bigger problems of agriculture. ... "'What is to be done?' is the question that the joint Congressional committee must answer," the article continued, and outlines in detail the recommendations that will be made by those who have studied the problems most closely.

2. An extensive article on the operation and activities of the States Relations Service appears in the Washington Star for June 19. It says, in part: "Uncle Sam has stretched out a helping hand to the people of the rural communities of the United States through the States Relations Service of the Department of Agriculture, and counsels, advises and instructs the men, women and children of these communities in their chosen tasks and daily lives. The big purpose back of the States Relations Service is that of bringing contentment and success to the farm family. In the outlying district of the Nation's Capital in nearby Maryland and Virginia, the system is operating just as it is in distant Florida or Oregon or the great Southwest. No place is so small but that the helping hand of the Government can reach the needs of the people. ... The county home demonstration agents are becoming more and more an institution in this country in cooperation with specialists to train women and girls in home arts. ..."

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Vol. 1, no. 75. Section 1. June 21, 1921.

Packer Legislation

"In all probability President Harding will have before him a bill regulating the packer industry. While he is expected to sign it, he will probably do so with some sort of mental protest as a violation of the principle he has laid down of less interference of Government in business. This bill shows that the old-time antagonism to big business is not entirely dead. ... Now it is proposed to turn the packing industry over to the Department of Agriculture for regulation, which will mean that a bureau will be established in charge of men who will receive salaries no higher than men in extremely subordinate positions in the packing industry and who will be expected to tell the packers how to run their business in a manner much better than the highly paid experts who are now conducting it. It is sure to result in more expensive handling of the product, and consequently a higher price to the consuming public, which is the exact opposite effect intended. ... There is, however, a phase of the situation which has to be considered from the public standpoint. The development of the so-called packing industry, which, until a few months ago, reached out into many fields until it controlled a very large part of the food industry, did actually place too much power of this kind in the hands of a small group of men. It was not that they sought this power with the idea of using it for monopolistic purposes, but rather that because of the wonderfully efficient organization the packers had with unusual machinery for distribution, it was natural for them to invest their surplus profits in allied lines. ... Yet, the fact has remained, as has already been stated, it left too much power in the hands of too few men. Some time ago, at the behest of the Federal Trade Commission and the Attorney General, the packers unscrambled many of these associations, ... A certain amount of regulation of these vital industries is necessary, ... but only to the extent that those who are engaged in such business shall realize their responsibility to the public. The tendency, however, is to carry regulation of this kind to an extreme." (N.Y. Commercial, June 20.)

Townsend Roads Bill

From the Senate Postoffice committee Senator Townsend yesterday favorably reported the bill for the establishment, construction and maintenance of a post road and interstate highway system and for the creation of a Federal highway Commission. (Press of June 21.)

Congressional Farm Investigation Committee

The congressional joint committee authorized to investigate farm conditions held its first meeting yesterday and elected Representative Anderson, of Minnesota, chairman. (press of June 21.)

Section 2.

Cattle Industry Financing

An editorial on cattle industry financing in The Price Current-Grain Reporter for June 15 says: "It would be, we imagine, difficult to find any one man in the West more competent to speak authoritatively on the live-stock situation than John Clay, of Clay, Robinson & Co., whose services to live-stock shippers in all parts of the country have extended over many years. He has seen the cattle industry 'wiped out', just as it is to-day -- by the newspapers, the Department of Agriculture and 2 by 4 senators. What was the remedy in the past? More unsecured credit for farmers to speculate with? Much official twaddle about necessary credit where there was nothing to base credit on? Not a bit of it. Real credit is of course based on character of the individual and his disposition for hard and intelligent work and economy, not as a seeker of Government largess as a mendicant. ... This duty of hard, intelligent work and economy and the use of agricultural common sense is not popular doctrine. No one in official or editorial swivel chairs talks it. ... So, says Mr. Clay: ' The farmer and many of our western ranch men, big and little, are continually listening to a lot of buncombe from would-be reformers. It is the Board of Trade, or the live-stock exchanges, or the ravenous millers, or the sordid packers, or some unknown wool broker in Boston who are in combination to rob every industry they get a chance at, the live-stock man in particular. If these venomous gentlemen were at home digging post-holes in the spring, pitching hay in the summer, and feeding it in winter, it would be better for the country.' "

"Class Propaganda"

An editorial entitled "Country Bankers Victims of Class Propaganda" in Commercial West for June 11 says: "A Minnesota country banker writes the editor to the effect that this journal ... is published in the interests of the city banks and business men and is not considering the welfare of the country." ... The occasion for such comment from a country banker is no doubt the position this journal has taken in regard to the attack, by radical leaders of the farmers, on grain exchanges and other city interests. The trouble with all such readers as this correspondent is that they have swallowed all the radicals' socialistic dope, which has been handed out to the farmers and the people of the country during the past decade or more. ... If, as we sincerely believe, the grain merchants, the city bankers, the manufacturers and distributors of goods are giving a useful service to the farmers and residents of smaller towns throughout this district, then it is our business to defend this service from those who would wreck it, as it would be a great damage to all country interests to cripple the services given by all these bankers and business men in the cities?

Farmer and Middleman

"As stated by us last week, there is no good reason why the farmers should not seek a more direct system for marketing their products; nor is there any preventive to their owning a large corporation for this purpose. It is difficult, nevertheless, to perceive how such a corporation may function without encountering the inevitable course and circumstances of trade. And it is well, we think, and the application is broad, not to expect too much of the institutions that are now springing up to ameliorate conditions that undoubtedly have their origin in war and its aftermath. ... The low state of agricultural prices, the depression that now envelops the farming industry, yearns for relief. All the strength that is possible to proper combinations is open to the farmers, but it can be exercised only in a world of

(Cont'd on page 3.)

Farmer and Middleman (Cont'd)

production and exchange, dominated by surpluses, and in open competition under the control of peoples, continents and climates. The trouble that farmers' marketing corporations are certain to encounter is the difficulty of bolstering them up with the necessary accessories to their effectiveness. As a writer has said, of what use will a huge grain corporation be to the farmers unless the transportation problem, entirely outside their sphere of control and action, be first solved? Nor is it a matter of granting credits alone. The necessity of these credits, presumably a part of a great farmers' financing corporation, begins with the individual farm, and extends, through few or many middlemen, to those who deal directly with the consumer." (Commercial and Financial Chronicle, June 18.)

Farm Loan Bank Fund

The House Banking committee yesterday favorably reported a bill authorizing the Treasury Department to deposit with the Federal Farm Loan Bank system the difference between the paid-in capital of the banks and $50,000,000. (Press of June 21.)

Federal Farm Export Corporation Advocated

Carl Vrooman, former Assistant Secretary of Agriculture, before the Senate Agriculture committee yesterday, advocated a bill to create a Federal farm export corporation with a capital of $100,000,000. (Press of June 21.)

Forest Redemption in Penna.

The 13,000,000 acres of largely devastated forest land in Pennsylvania are valued at $200,000,000, under a liberal estimate, and if restored the acreage would be worth $1,300,000,000, according to a statement made by Major E.A. Ziegler, director of the State Forestry Academy, Mont Alto, Pa., to the Pennsylvania Forestry Association meeting at Pittsburgh June 17. (Phila. Ledger, June 18.)

Grain Trading

In an editorial entitled "Limiting Trading," The Prime Current-Grain Reporter June 15 says: "To actually limit the volume of speculative trading in grain would not in itself be impossible or perhaps difficult. A prohibition by the directors of say the Chicago Board of Trade of the employment by its members or solicitors of speculative business would materially reduce the volume of such business. But, as in the case of limiting the operations of the 'big professional speculator,' it is still an open question whether it is desirable to do that as a business proposition. ... Speculation is justified by law and common sense as honest and as a necessary business function, which has a far-reaching beneficial effect; and it must be allowed to rest there. The question is, what in the case proposed would be the business result -- the effect on the farmer-producer of grain, if the absorptive capacity of the grain market were summarily reduced permanently, or even temporarily, by driving out of it by law or by regulation such a considerable portion of the buying constituency? This is what the Secretary of Agriculture is endeavoring to do, whether he knows it or not; and he is thus threatening to reduce the market to the status of a place to sell offerings of grain, at some seasons in very large volume, with a large part of the buying public ruled out of the market by law or the order of the Secretary of Agriculture."

Living Cost Decline

Since July, 1920, the cost of living decreased 20.08 per cent, according to a compilation of the National Industrial Conference Board, New York, as announced by that organization yesterday. (Press of June 21.)

Mexican Import Duties

A Mexican decree announced in the local press makes the following increases in import duties: Untanned hides and skins, increased from 4 to 10 centavos per kilo; lard, pure or mixed, from 5 to 10 centavos per kilo; flour and starches of all kinds, not specified, from 5 to 15 centavos per kilo; and preserved animal food products, from 15 to 20 centavos per kilo. (Cable from Consul Ferris, June 14. Commerce Reports, June 17.)

Milk Prices

1. Less than 2 cents a quart is being paid for raw milk where delivered in surplus amounts over the regular contract delivery at some dairies and shipping stations in South Jersey, while many farmers are not averaging more than 4 cents a quart for their product, which milkmen are retailing to consumers in nearby towns at anywhere from 10 to 13 cents. (Phila. Ledger, June 20.)

2. Milk will remain at the same price to the consuming public during July as in June, in spite of an increase of more than half a cent a quart which the distributors will pay the farmers, P.D. Fox, president of the Borden Farm Products Co. announced June 20. President Fox's statement followed an announcement of the July prices of the Dairymen's League, which raised the cost to the distributing companies 25 cents a hundred pounds. (N.Y. Times, June 21.)

Packer Control Bill

"Let us credit the United States for at least one worthwhile accomplishment this term -- that of the packer control bill. By a narrow margin it refused to enact the bill reported by its committee on agriculture which would put the Government in control of the meat packing business -- the entering wedge for still more government in business and less business in government. But within 36 hours the Senate destroyed the effect of this good deed and passed a measure almost similar which originated in the House. There was little to choose between the two: The bill that was killed would vest control of the meat packing industry in a commission, and the one that was accepted puts it in the hands of the Secretary of Agriculture. Either provision is vicious and socialistic. Advocates of these bills desire to raise the prices of live stock to the farmers and lower the cost of meat to the consumer. This, apparently, is their only justification for putting the Government into the business. If the record of the Government in the coal business is not enough, that of the packers themselves is sufficient to refute this idea. Official statistics alone are complete proof. ... " (Wall St. Jour., June 20.)

Pure-Bred Live Stock Export

A shipment of pure-bred shorthorn heifers and bulls, selected from the leading herds of Minnesota, will be sent from St. Paul late in June to Argentina, for use in building up the herds of that country. (Phila. Ledger, June 18.)

Soy Bean Oil Trade

"Importers of Oriental oils have cleaned up their reserve stocks of soy bean oil and await developments which the emergency duty is expected to bring. It is the opinion of importers that the industry of importing soy bean oil, has been brought to an end by the tariff. Activities are now concentrating round China wood oil, which escaped the tariff. Several companies have expressed the opinion that this oil can be built up close to the proportions of soy bean oil." (Seattle dispatch to Phila. Ledger, June 21.)

Tariff Bill

Representative Mondell stated June 20 that the permanent tariff bill probably would be reported by the Ways and Means committee "about the first of the month," according to the New York Times, June 21.

Tax-Free Securities

"The American Farm Bureau Federation has recommended to Congress that it submit to the several states a constitutional amendment prohibiting the issuing of all tax-free securities. Farm Loan bonds are tax exempt; they have made an attractive investment. Some farmers are fearful that a prohibition of tax-free securities would work harm to the Farm Loan system." (American Farm Bureau Federation Weekly News Letter, No. 24.)

Wool in Michigan

C.J. Fawcett, director of the wool-marketing department of the American Farm Bureau Federation, states that since May 14 more than 2,000,000 pounds of pooled wools have been sold at steady values. The Michigan State Farm Bureau reports four times as much wool in its pool as last year. The Michigam wool pool in 1920 totaled 3,558,552 pounds. (American Farm Bureau Federation News Letter, No. 24.)

Wool Marketing in Ohio

The Ohio farmers' wool pool has sold all the wool consigned to it last year. This is said to be the only wool pool in the country with such an accomplishment. (Columbus dispatch to Phila. Ledger, June 21.)

Wool Prices

1. Wool prices have taken a sudden upward turn, and Inland Empire sheepmen who have held their clip will more than double the money paid to those who sold early. (Seattle dispatch to Phila. Ledger, June 20.)

2. During the London wool auction sales, which closed June 18, the home trade bought 39,000 bales and the Continent 70,000. The number of bales held over was 4,000. (London cable to N.Y. Times, June 19.)

World's Cotton Goods Consumption

Speaking at the World Cotton Conference June 16 on the cotton goods problems of the United States and Europe, John S. Lawrence, of Lawrence & Co., said: "A recent analysis of the world's consumption of cotton goods as compared with prewar consumption indicates no abnormal under-consumption throughout the world except in parts of the United States, India and Europe. To be sure, many of the world's markets are to-day very much depressed, but this has been caused by financial stringency, over-buying and imports in excess of prewar requirements." (Jour. of Commerce, June 17.)

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Vol. 1, no. 76. Section 1. June 22, 1921.

Federal Consideration For Agriculture

"No other Congress has given to agriculture the thoughtful, sympathetic consideration that is the promise of this Congress. There are now a dozen measures of primary importance under consideration directed wholly to the bettering of farm financial conditions. Most of these are good; some in the judgment of The Herald will hurt more than help. We have the very decided opinion that laws concerning economic conditions should only provide, or permit, private enterprise to organize agencies through which those concerned in industry may help themselves. This is permissive legislation. We believe firmly that regulatory legislation should only be a last resort, where business or industry will not honestly regulate itself to give the best service, fairly and at the reasonable price. Business and industry are to-day all organized. The average in any group or class is honest or has the right to be so considered. It has the right to correct its own defects, its own faults. Any business, whether of production or trade, must meet and adjust itself to constantly changing conditions. ... Regulation should come when reforms are refused. Especially is this true when calculated to help a related industry, when they must prosper jointly and when any halting or hamstringing of the one reacts upon the other. Cooperation is the better cure for bad business methods and for business evils, as it is for socialism, than is regulation. Failure of regulation is the quick road of socialism. Cooperation, close contact of related industries, frank discussion and clear understanding form the better way.

"Senator Capper is largely right when he says: 'Like Topsey, agriculture has just growed. For 145 years about all our attention and effort have been given to building big cities, constructing railroads, making millionaires.' All of these are based on agriculture and agricultural success. They are now realizing this and agriculture is having its innings. But there should be a care that in the effort now being made to promote this basic industry, it is not hurt more than helped by over-regulating other industries. Where agriculture has been most prosperous, this has come through permissive legislation, providing laws and agencies for self-help and not through paternalism. What agriculture needs is first of all financial stability, and then distributive agencies which will clear the way to the markets, bring them nearer and reduce the distribution costs which absorb from one-half to three-fourths of the ultimate price to the consumer."
(Editorial in Wash. Herald, June 22.)

Export Corporation Advocated

Advocating passage of the Norris farm export corporation bill before Senate Agriculture Committee yesterday, S.J. Arct, Polish commissioner, said Poland would have to import possibly 150,000 tons of cereals and flour next year and the proposed legislation would help the situation. (Press of June 22.)

Section 2.

Agricultural "Prophets"

"We do not wish to ridicule those who, last year, advised farmers to hold their wheat for $3, or those who prophesied a 'farmers' strike' when the bottom fell out of the markets , or those who declared that agriculture was bankrupt and that farmers would be unable to continue, but we would like to know just how they stand in the estimation of those who are misled by these false prophets. It is to be hoped that since none of these things transpired the ridiculous position in which the prophets find themselves will be sufficient to teach a lesson in caution and humility. ... Farmers did lose money in the price slump but they did not go bankrupt. ... All farmers knew as well as the would-be prophets just what troubles existed, but events show that the rank and file were made of better stuff than were those who saw nothing but the dire disaster ahead. This criticism is not directed to the real leaders in agricultural progress -- those who have a vision of better things and the intelligence to fairly estimate the relations between cause and effect. ... Agriculture, like other industries, needs helpful, constructive criticism and leadership in these critical times."
(Pennsylvania Farmer, June 18.)

Atlanta Gets A.F.B.F. Convention

Atlanta, Ga., was awarded the national convention of the American Farm Bureau Federation in November by the executive committee at Chicago June 21. The convention dates were set for November 22 to 25. (Chicago dispatch to Phila. Ledger, June 22.)

Cooperation

An article on "Cooperation" in The Ohio Farmer, June 18 says: "Some of our city cousins have been led to believe that we are responsible for the high cost of food, that farmers' organizations will merely serve to boost the prices still higher and consequently look upon such organizations with disfavor. Sometimes the city press helps in the persecution and consequently the first years may be a little hard going for such organizations. ... As long as farmers sell their produce for a song, it is all right, but as soon as they begin to cooperate and ask a price that will insure them a reasonable profit on their time, labor and investment, they are looked upon with disfavor and called a trust."
(The Ohio Farmer, June 18.)

Cotton

Albert Scott, speaking June 21 before the World Cotton Conference at Manchester, urged cotton spinners to press vigorously for better ginning, baling and warehousing of American cotton, and less waste from sampling. American bales, he declared, were the object of unfavorable comment the world over. (Assoc. press cable from Manchester in to-day's press.)

Cotton Finishers' Federation

"Informal conferences have been held over the week-end between representatives of the American ~~[illegible]~~ Association of Finishers of Cotton Fabrics and of the six British finishers' associations, the purpose being to launch an international federation of finishers. ... No definite action will be taken until the matter has been passed upon in the United States." (Cable from Manchester, Eng., to N.Y. Daily News Record, June 21.)

Cotton Mills Resume

The Dwight cotton mills, normally employing 1,500 people, have resumed operations on an increased scale. (Alabama City, Ala., dispatch to Phila. Ledger, June 21.)

Dairy Cows

An editorial upon "The Cow Herself" in Hoard's Dairyman for June 17 says: "Slowly it is breaking in upon the comprehension of the minds of average dairy farmers that there is a mighty wide difference in cows. Here let us say that it is just that very idea of difference that constitutes the foundation of the breeder's work. To produce a better cow, and make the difference as great as possible between her and the average cow, is his mission. Everything in this world is governed by that self-same principle. ... If the dairy farmer does not secure good cows he is soon 'played out.' "

Farmers on Business Readjustment

"As contrasted with the recent message of the Farmers' National Council to the American Federation of Labor, the analysis of the present business situation as contained in the statement issued jointly by the National Grange, the American Farm Bureau Federation and the International Farm Congress is one upon which its authors merit commendation. ... Say the farmers: 'In peace time certain standards were gradually evolved. While these standards were not uniform, nor were they always satisfactory, they did in a general way constitute bases of comparative prices upon which the various industries and occupations could function, and, on the average, prosper. The relationship of these bases of values has been violently disturbed, chiefly as a result of the World War.

"'Bases of value control economic balance. When the prices of the products of a basic industry fall seriously below the general average of all prices the entire industrial structure is affected. When it happens that almost half of the total population is either engaged in that industry or is directly dependent upon it for a livelihood the result is indeed grave, since the buying capacity of the nation is proportionately affected. That is the situation in the United States now.'

"If there is little likelihood, the farmers reason, of any great advance in the prices of farm products in the near future -- and this is indeed the fact -- then values in other lines must be further reduced to restore balance if our economic organization is again to function smoothly and fully. It might be added, of course, that there are classes of commodities other than farm products which have fallen heavily in value in relation to the average. Thus modified or amplified the statement of the farmers' organizations is acceptable as an accurate analysis of the present price situation. The price problem is now not so much one of general reduction as one of readjustment among the different classes of commodities and between wholesale and retail branches. ..." (From editorial in Jour. of Commerce, June 21. The same issue publishes the entire statement of the farmer organizations.)

"Grain Gambling" Denounced by A. F. of L.

Abolition of "gambling in grain futures on the Chicago Board of Trade," establishment of cooperative producers' and consumers' organizations and Government regulation of corporations and monopolies were urged June 21 by the convention of the American Federation of Labor at Denver. (Assoc. Press, June 21.)

Grain Marketing

Robert N. Clarke, manager of organization in Illinois for the U.S. Grain Growers, Inc., announces that organization work will start about the first of August. A school of solicitors will be held in the Grain Growers' offices in Chicago, starting July 11, at which 40 men will be trained for this work in Indiana and Illinois. The membership campaigns will be similar to the Illinois Agricultural Association's membership campaigns, a farm to farm visitation explaining the work and signing up members. The membership fee will be $10, which will last as long as a man ships his grain to the U.S. Grain Growers. Each individual will be asked to sign a contract to market his grain through the organization for five years, and the solicitors will sell stock in the finance corporation, which is a part of the organization to finance the business. (Ills. Agric. Assoc. News Letter, No. 57.)

Lumber Tariff

Republican representatives from fifteen states, chiefly in the upper Mississippi valley, opposing the proposed tariff duty on lumber, have decided to have the matter discussed at a caucus before the permanent tariff bill reaches the House. (Press of June 22.)

Milk Marketing

An editorial entitled "Organization for Selling Milk," in Hoard's Dairyman for June 17 says: "It has taken much agitation and the organizers of milk producers have experienced much grief to accomplish what has been done to improve the method of marketing milk. The work should continue till the milk producers have their business as well organized and upon as efficient a basis as the milk dealers. The time will come when the milk distributors will prefer to deal with well organized and well managed cooperative concerns rather than with the individual farmers."

Milk Marketing In Vermont

An article entitled "Vermont Cooperatives Federate" in Hoard's Dairyman for June 17 tells how Vermont creameries have joined for increased returns through cooperative management in manufacturing and selling. It says in part: "It has remained for Vermont, the Denmark of America, to demonstrate the fundamentals in a complete system of economic cooperation that is no half-way affair. ... These creameries are the 'solid foundation on which is being built the great dairy industry of the state.' " In outlining the plan of this organization of creameries the article says: "In a community where farmers believe in working together, a cooperative creamery is organized, 29 having been formed since 1915. Equipment is installed to permit marketing the product in any of several forms -- fluid milk, cheese, butter, etc. Then a group of such creameries band together for the common good and buy equipment, employ uniform accounting systems, and sell their product cooperatively through one sales head, in the form which is in greatest demand and to the particular buyer who offers the best price. They own their plants; they can sell to anyone who will buy, and in the form of product in greatest demand. ... The federation plan has proved a success, even when in operation on a small scale. ... The economics of the system are sound. ... A time may come when the entire product of the federation will be pooled, each member creamery manufacturing the article which the federation directs and each taking its proportion of the returns as the entire output of the federation is marketed."

Packer Legislation

"Before the Senate passed the House bill to put the Government in control of the packing industry, it inserted several amendments. These, as their advocates said, were intended 'to put teeth into the law.' Let it go at that; but what is this industry which the proposed law is expected to bite? The answer leads to the stockyards, where in the last census year 73,255,000 animals passed into the packing plants. The total cost of these was $3,774,901,000, which was paid down before the animals left the yards. This was the packing industry's investment in raw material. ... The finished product does not pay for the raw materials out of which it is manufactured. How will wages, power and other costs of operation be paid? Those items have been met, not by paying the producer less or charging the consumer more, but by calling scientists and chemists to the laboratory. The result has been one of the grandest achievements of Industry since she has made Science her handmaiden. ... Figures are tedious, and none are more devoid of ornament than those of the Bureau of Census. But when we look beneath these figures and see what the industry really is and what it is doing, the honest examiner must ask, Where is the benefit of the law 'with teeth in it' which regards biting as an end not a means?" (Editorial in Wall St. Jour., June 22.)

Southern Farmers' Serious Condition

"The economic South to-day stands on the brink of destruction. The people are facing a financial crisis, the equal of which has never existed before. Cotton, its chief product, is selling at 80 per cent of its present production cost and it is only due to the fact that the people who produce it are living on a basis which no other workers would be willing to stand that the cost is no greater." (From lengthy communication from Newellton, La., to Jour. of Commerce, June 21.)

Warehouse Receipts

"On Monday of this week a conference, called by Secretaries Wallace and Hoover, was held in Washington for the purpose of considering means of improving the character and credit usefulness of the warehouse receipt issued against grain stored in country elevators. There can be no discussion about the wisdom of doing whatever can be done to improve the usefulness of the warehouse receipt, whether by inspection and grading of grain, by insurance or any other safeguard acceptable to those who want to know just what the receipt stands for before they accept it as collateral. The only question is how it may be done economically and thoroughly, so that the receipts can be more useful to all concerned." (National Stockman and Farmer, June 18.)

Wheat Marketing

"Whether you agree with the compulsory pool marketing plan of the National Wheat Growers' Association or not, you can't help but admire the determined fight the association leaders are putting up to establish their marketing machinery. The association tried to sign up 51,000,000 bushels of wheat in Kansas in a compulsory pool by June 15. It succeeded in signing up only 8,000,000 bushels, which contracts have become void because of the failure to get the full 51,000,000 bushels signed up. The association now hopes to have the contracts modified so that it may market the 8,000,000 bushels." (Capper's Farmer, July 1921.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 77. Section 1. June 23, 1921.

Farm Export Bank Matter

Secretary Wallace yesterday told the Senate Agriculture Committee that the establishment of a Government farm export corporation, as proposed by the Norris bill, was a "banking matter" upon which he could not pass, but that if it were enacted the Department of Agriculture would do its best to work it out. (press of June 23.)

The Wool Rate

"The wool growers, important part of the powerful agricultural bloc in Congress which is exerting such an extraordinary influence on legislation, have won the first round of their fight for tariff duties on raw wool at rates substantially higher than those of the Payne-Aldrich law. They are higher, in fact, than they have ever been before in a permanent customs act. With the exception of the chemical schedule, still a disputed point, with the indications favoring a victory by the textile manufacturers over those who demand a license system for dyes and chemicals of foreign origin, to preserve the home market from German domination and for reasons of national preparedness, it is almost the sole case in which the rates of the bill, about to make its first formal bow to an expectant world, are higher than those of the Payne law.

"The wool schedule is the keystone of the arch of a protective policy. ... In classification and phraseology the proposed new woolen schedule, now to be finally passed upon, is much more simple in form than it was in the Payne law. It is founded upon the basic raw wool duty, previously agreed upon by the vote of the committee, of 25 cents a pound on the clean content. That rate was recently fixed by the committee. On that point the agricultural interests, threatened with ruin, their markets gone and their flocks melting away like snow, have won their fight, one of the bitterest in tariff-making history." (G.R. Brown, in Wash. Post, June 23.)

Sales Tax and the Farmers

"Consensus of Washington newspaper correspondent opinion has recently been that the sales tax stands no ghost of a show of enactment, not because the idea is bad but because legislators believe that it is politically inexpedient. They believe that the farmers and the laboring men are against it. This belief arises from the vociferous anti-sales tax utterances of many of the putative leaders of farm and labor organizations, and of Congressmen from the rural districts. For example, H.C. McKenzie told the Senate Finance Committee: 'I speak for the American Farm Bureau Federation, which has between one and two million members and represents, roughly, about five million people in this country. ... We (presumably the five million) believe that this general sales tax is unsound in principle; that it is unsound economically; that it is unsound from a social standpoint; and it is governmentally inexpedient.' (Cont'd on page 2.)

Sales Tax and the Farmers (Cont'd)

"That was on May 13, 1921. On June 19, 1921, results were announced from a questionnaire conducted in ten states by Mr. McKenzie's American Farm Bureau Federation which showed that out of a poll of 40,000 farmers 22,393 declared that they were not opposed to a general sales tax. The mere fact that this majority does not object to the sales tax does not prove that the sales tax is the best tax in the world, but it raises some doubts as to Mr. McKenzie's pretension to speak for the farmers, and casts more or less reflection on the judgment of the politicians who find political inexpediency in the tax because Mr. McKenzie and others say the farmers are against it. ... Even the farmers do a little thinking on their own account in these days." (Editorial in Wall St. Jour., June 23.)

Section 2.

Agricultural Bloc

An editorial in the Nebraska Farmer for June 18 says: "We do not understand why some of the papers are so worked up over the idea of an agricultural legislative group, but its organization is being attacked strenously from several different angles. A broker's paper says that if the agricultural senators continue to vote and work together for agricultural measures, that senators from manufacturing and business districts will be compelled to form a similar organization. To anyone who has been following national legislation, that threat does not cause even the semblance of a sensation. Business blocs have been established for such a long time that they are old and hoary, but still vigorous. This is one reason an agricultural bloc seemed necessary. Some of the organized labor papers are also bewailing the formation of an agricultural bloc. They say that a representative government like ours does not have any right to form cliques within a legislative body and to use those cliques to influence legislation. Isn't that rich! And coming from a labor organization too! Nobody ever heard of labor blocs of course. They have been taken for granted so long that we never speak of them any more. Some even suspect such grouping in the Supreme Court, where blocs should never exist. About the bitterest wail is coming from the two old and well established political parties. The leaders of these parties are bemoaning the fact that in the organization of the agricultural bloc, party lines are entirely disregarded. There are both Democrats and Republicans working in this group. ... The bloc exists whether right or wrong. It was forced into existence by other blocs. Will it accomplish results? That will depend upon the number and integrity of senators and representatives who join the bloc."

Cooperative Banks in Nebraska

"House Roll 193, now a law, is designed to give cooperative banks a chance to become established in Nebraska. An examination of the law shows it to be well drawn and to meet every desire of friends of cooperation with the exception of one clause which was slipped in some place along the way. That clause gives the state banking department the right to deny a charter if it feels that there are a sufficient number of banks in a community to transact the business. ... Such a provision is a dangerous provision wherever state competition is expected to furnish service or regulate business projects. If a law of competition is to be effective it must have a chance to operate freely. ... The efforts of a state should be directed toward making a corporation safe, rather than throttling competition."
(From editorial in The Nebraska Farmer, June 18.)

Cooperative Creameries

Referring to the cooperative creameries of Minnesota in their new state organization, an editorial in Chicago Dairy Produce for June 14 says: "If this plan succeeds, or if the Minnesota organization functions satisfactorily, Wisconsin and Iowa will join in a like movement. Indeed it is probable that the last two states will take steps very soon along lines similar to those followed in Minnesota and bring about a tri-state organization of cooperative creameries. ... A strong faction in the organization is for cutting out the middleman entirely; but the leaders realize that selling is a big proposition that requires organization, established outlets, constant attention and immediate knowledge of market changes and conditions. They prefer to work for the present with existing established agencies."

Farm Management

"The control of Farm Management and Some Fundamental Principles in Agricultural Costing," is the title of an article by C.S. Orwin, M.A., of the Institute for Research in Agricultural Economics, Oxford, in The Journal of the Ministry of Agriculture (British) for June. This says, in part: "The importance of the study of farm management is receiving recognition only slowly. The expansion in agricultural education and research work which began about five and twenty years ago has been confined almost entirely to natural science, and although results of enormous practical value to the farmer have been produced, the full benefit of such work has not been secured owing to the neglect of any attempt to balance it by the study of agricultural economics. The economic law with which production from the land has to contend is the law of diminishing returns, while any attempt to wring the last bushel of corn from the land and to produce the last pound of meat and the last gallon of milk can only be justified so long as it can be shown that maximum production is accompanied by maximum final reward. It is always the economic factor that, in the long run, controls production. ...

"Costing, or management bookkeeping, aims at much more than mere financial accounting. The latter is intended to furnish evidence as to the general financial position of a business at any time; the former supplies the only means by which the management of an enterprise can be tested and examined in all its departments. ... Probably the greatest weakness in the agricultural industry to-day is the reliance of the farmer on his technical knowledge to the more or less complete exclusion of the study of management."

Fertilizer Trade

Reporting the subscribers' meeting of the soil improvement committee of the National Fertilizer Association, at White Sulphur Springs, W.Va., June 20, The Journal of Commerce for June 21 says: "So far there is little optimism regarding the immediate future of the industry. Everyone seems to think it will take a year or two to work out of the present difficulty."

Freight Rates

Suspension of proposed rates and regulations proposed by the Southern Railway on live stock from its Mobile division to New Orleans was set aside by the Interstate Commerce Commission yesterday. (Phila. Ledger, June 23.)

Ice Cream Output

"Comparative statistics regarding the production of ice cream from 3,476 establishments in 1919 show that the value of the product was $189,414,000, says the Refrigerating World. In 1914 reports were reports were received from 2,391 establishments with a production valued at $55,983,000." (N.Y. dispatch to Phila. Ledger, June 22.)

Live-Stock Marketing

An editorial on "The Cost of Marketing" in National Stockman and Farmer for June 18 says, in reference to changes that must be made in the general readjustment that is bound to come: "One of these changes should not have to wait on a general readjustment. The rates on mixed carloads should be changed at once, for they work unnecessary hardship on producers and result in little benefit to the carriers. ... The present cost of marketing live stock was established when freights, wages, feed and all things involved in the service of marketing was high. Prices of live stock were high too, so that the percentage of cost to returns was no greater than usual. New conditions have changed and the cost of marketing must change also. ... Nobody wants to be unjust to any interest involved in marketing, but the cost of this service is too great. There are other costs between producers and consumers which need readjustment even more than these. The slaughterer is still compelled to employ too many men, and the retailer takes too high a percentage of profit on some if not on most things — all to the disadvantage of the producer."

Live-Stock Rate Hearing

Petitions of live-stock shippers and others for a reduction of freight rates on live stock were set yesterday by the Interstate Commerce Commission for oral argument July 15. (press of June 23.)

Lumber Trade

"Inquiries were received in the West Coast lumber-producing territory from Madrid, Spain, for 3,000,000 feet of fir. A small railroad tie inquiry is being estimated by mills and wholesalers for Balboa. Placements have just been made for 3,000,000 feet for the west coast of South America. Export orders for a week totaled 3,604,000 feet, with shipments of 5,375,000 feet." (Seattle dispatch to Phila. Ledger, June 22.)

Milk Products Profits

Profits as high as 36 per cent are common in the manufacture of creamery butter and canned or evaporated milk, the Federal Trade Commission reported to Congress June 20, the report being based on a nation-wide survey of milk products. High profits in the making of butter and canned milk cause prices of raw milk to soar; many manufacturers and distributors of butter and canned milk do a business of $5,000,000 a year; unfair practices are common in the trade, but an effort is being made to eliminate them, are also among the findings reported, according to New York Commercial, June 21.)

Millers of West Plan For Eastern Trade

"North Coast flour millers plan to entrench themselves along the Atlantic seaboard by pushing their flour into all assembling ports from New Orleans to Boston on the new crop wheat. The transcontinental railways seem disposed to grant their requests for a reduction in rates of 10 cents per hundred pounds on flour to Memphis and Chicago in time for application to the new wheat crop year."
(Seattle dispatch to Phila. Ledger, June 22.)

Packers Ask Wage Cut

Declaring that there was a "maladjustment of labor wages" in the packing industry, representatives of the packers yesterday told Judge Alschuler, wage arbiter, that the high cost of labor was responsible for a drop in profits from 6.8 per cent in 1919 to 1.5 per cent in 1920 when they appeared June 22 to support their petition to cut wages 5 cents an hour. (Chicago dispatch to press of June 23.)

Potato Marketing

One hundred and twenty potato growers of Brookings Co., S.D., have formed cooperative marketing associations at Brookings, Volga, White, Elkton and Bushnell. Each of the five associations is incorporating. Each stockholder agrees to market all his salable potatoes through his association. (Sioux Falls dispatch to Jour. of Commerce, June 22.)

Potatoes Used as Fertilizer In Maine

Farmers in Southern Aroostook County, Me., June 22 dumped approximately 45,000 barrels of potatoes in their fields, where they will be plowed in to serve as fertilizer. Aroostook producers were caught with a large surplus as a result of a falling market, which reduced the price from $3 a barrel early in the season to 40 cents a barrel yesterday. In the northern part of the county starch factories took care of the surplus. (Houlton, Me., dispatch to N.Y.Times, June 23.)

Sugar Growers Need Help

Wallace R. Farrington, recently appointed Governor of Hawaii, before a House committee yesterday pictured the serious plight of Hawaiian sugar and pineapple growers and urged modification of immigration restrictions to permit the freer flow of labor needed to harvest crops. (Press of June 23.)

Tri-State Farm Congress

Agricultural development and better relations between farmers and dealers are objects of the Interstate Farm Congress, to be held at New Orleans September 12 to 17. It is open to the farmers of Louisiana, Mississippi and Alabama. The purposes of the congress are: To increase farm production and encourage diversification, broaden and stabilize the New Orleans market; develop fair dealing between produce dealers and farmers; urge growing of quality food products and raising of pure-bred live stock; stress the necessity of proper grading and packing in standardized containers, and to develop good roads. The congress is under the auspices of the New Orleans Association of Commerce. (N.O. dispatch to Phila. Ledger, June 23.)

Water Power

The Water Power League of America at its closing session June 22 appointed a committee of ten to recast the Federal Power Act in an effort to obtain a more lenient interpretation of its provisions. (Phila. Ledger, June 23.)

Wool

In the U.S. Tariff Commission's report just issued on the wool growing industry of the world, which, in many respects is a continuation of the study made by the Tariff Board in 1911, only raw material is considered, with little or no reference to manufacturers of wool, according to a review of the report in New York Commercial for June 21. In the summary of the report the current situation, especially with respect to the surplus of wool and the slump in prices, is brought down to January 1, 1921. On that date the United States had on hand about 20 per cent more than the normal amount of wool and consumption by the mills was decidedly below normal, a situation which caused the surplus to bear heavily on the prices of the 1921 clip. The survey of conditions in the competing foreign countries seems to show that most of the great wool regions of the world have passed their maximum production, unless, perhaps it is British South Africa.

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Vol. 1, no. 78. Section 1. June 24, 1921.

Debt Refunding Legislation which would give the Secretary of the Treasury unlimited authority to arrange for the refunding of loans made to the allied governments during the war, as well as other obligations growing out of the war, was asked yesterday by President Harding from Congress in a letter sent to Senator Penrose, chairman of the Finance Committee, and Representative Fordney, Chairman of the Ways and Means Committee. The President enclosed a copy of a letter, received from Secretary Mellon, who outlined the reasons why such a grant of authority seemed necessary at this time, and presented tables showing that there was owing from 19 foreign countries $10,141,267,585, of which $9,435,225,329 represented advances made under the Liberty Bond acts and the remainder amounts due the United States because of grants of surplus war materials from the Army and Navy and supplies from the United States Grain Corporation and the American Relief Administration. (Press of June 24.)

Refunding War Loans Bill A bill embodying the plans of Secretary Mellon for refunding war loans made to the allies was introduced yesterday by Chairman Penrose, of the Senate Finance Committee, and referred to that committee. The Treasury would be granted unrestricted authority to reconvert or extend loans or interest payments, to accept foreign securities in payment and to settle all claims not now secured. (Press of June 24.)

Packer Control Bill The House yesterday disagreed to all Senate amendments to the Packer Control bill and voted to ask for a conference. Representatives Haugen, McLaughlin, Ward, Jacoway, and Rainey were named by Speaker Gillett as House conferees. (press of June 24.)

Packer Control Asked by A.F. of L. The convention of the American Federation of Labor at Denver June 23 called upon Congress to enact legislation to control the meat-packing industry of the country. (Press of June 24.)

Live-Stock Control The return of Federal supervision of the live-stock industry will be welcomed by the trade at South St. Paul "as the lesser of two evils," according to a St. Paul dispatch to the Philadelphia Public Ledger, June 24. The dispatch states that the South St. Paul Live-Stock Exchange has taken a stand for Federal supervision rather than State control and indorsed the legislation that has been before Congress recently.

Section 2 .

Agrarian Bloc

Referring to the agricultural bloc in Congress, The Rural New Yorker for June 25 says: "This is the first time such an organization has been attempted in the American Congress. There are big problems of transportation, tariff and taxation which peculiarly affect farmers, and this organization will help handle them. This is following the example of France. In that country the farmers are recognized as the most important class. They are well organized and control the French parliament, and through it the nation."

Banker-Farmer Cooperation

An article in the June Banker-Farmer summarizes the four years' operation of the agricultural department of the First National Bank of New Haven, Conn. It says in part: "Our nation through the many ramifications of its Department of Agriculture, ... maintains the greatest educational institution in the world. Its entire energy is directed toward safe and profitable farming resulting in happy homes and a contented people. Experience has taught, however, that in altogether too many cases, the actual putting into practice of these teachings has been hindered through a lack of available credit facilities. It was with the realization of these shortcomings that early in 1917 the directors of this bank put their theories into practice and established an agricultural department. The article reviews in detail the various phases of its work, from the financing of boys and girls in their club work to the extending of short time credits to farmers to assist them in meeting their immediate needs.

Canada's New Anti-Dumping Law

Owing to recent changes in the Customs Act the American exporter to Canada will not be able to absorb the exchange to the same extent that he has done in the past. The anti-dumping provision requires that the selling price of imported commodities in Canada shall not be more than 5 per cent below the fair market value in the country from which imports come. With the premium on American funds ranging about 12 per cent, the American exporter cannot absorb more than 6 per cent, unless he can find some way around the provisions of the act. (Ottawa correspondence of Phila. Ledger, June 23.)

Cotton

At the closing session of the World Cotton Conference at Manchester, England, June 22, the various groups passed resolutions aimed at the improvement of the industry. One resolution, recognizing the great importance of research work, urged the necessity of free discussion of scientific research done in different countries and proposed the formation of a national cotton research association like that established by the British industry. Also, with a view to the common welfare, the resolutions suggested that all governments should give early information to the International Institute of Agriculture about the details of acreage, crops, forecasts and estimates, as such information would be for the benefit of all countries. Another resolution urged that an institute or society of cotton growers of the world should be formed to improve the cotton plant and the preparation and handling of the crop. Suggestions were also made for methods by which a mixture of different types of cotton might be avoided, such as that the governments of cotton-growing countries should help maintain purity of type by controlling the supplies of seed and insuring pure seed.

The appointment was recommended of a representative committee to

(Cont'd on page 3.)

Cotton (Cont'd)

compare American and Liverpool standards of American cotton and report to the Department of Agriculture at Washington and to the Liverpool Cotton Association. (N.Y. Commercial, June 23.)

Cotton's Case

In a lengthy editorial reviewing "The Case of Cotton" since the commencement of the World War until now, The Journal of Commerce June 23 says: "To-day the planter reaps the result of the bad advice given him by political and other counsellors. ... Crying over spilt milk or adoption of an I-told-you-so attitude is never helpful. What is called for is constructive assistance. There has been a restriction of cotton acreage which in time will help to cure the undue depression of prices, and may even go too far. A resort to diversification of crops is in progress. This is good as far as it goes from the planter's standpoint. Meantime, there is need for immediate measures of help. The banks are understood to be carrying their existing loans pending the natural upward price reaction which will eventually come, and so far as possible they should be encouraged in their support of the cotton communities. Mills ought to buy as liberally as they are able. Reasonable extensions of mercantile credit to parts of the country which have been temporarily hardest hit will be in the long run wise business policy for the firms which can afford them."

Cotton Workers

1. Information given by a striking employee of the Highland Park Manufacturing Co., of North Carolina, to a representative of the New York Daily News Record is to the effect that the textile operatives are receiving sufficient funds to meet their weekly expenses and that they are in a position to remain idle for an indefinite length of time. (Charlotte, N.C., dispatch to N.Y. Daily News Record, June 23.)

2. The wage settlement plan offered by the employers in the cotton industry has been acquiesced in by all branches of the British spinning trade, the reduction affecting some 200,000 workers, according to cable from Manchester, to N.Y. Times June 24.

Farm Bank Plan of Iowa

In an article describing the plan of the Iowa Farm Credits Corporation, The Orange Judd Farmer for June 18 says: "Forced by the unprecedented stringency of recent months to study the question, the agricultural and financial leaders of Iowa have gone to the bottom of the question of farm credits, have found what is needed, worked out a plan that will supply the needs, enlisted the support of the best men in banking and agricultural circles and officially launched the plan. It is almost precisely the 'financial equality' plan as brought out by Orange Judd Farmer last year. It is the same idea that forms the basis of the plan being studied this week by Secretary Wallace and Secretary Hoover. Described by a prominent corporation attorney as 'the only concern of its kind in the United States, and the most advanced attempt yet undertaken to finance farmers,' the recently organized Iowa Farm Credits Corporation occupies a place unique in the financial affairs of the country."

Farmers' Tax Views

"In ten states 40,000 farmers have voted strongly in favor of retaining the excess profits tax, but are divided regarding the sales tax. Against it are 17,947, but 22,393 are not opposed. The division of opinion thus shown lends larger interest to the rest of the poll of

(Cont'd on page 4.)

Farmers' Tax Views (Cont'd)

1.a million farmers. It is encouraging that so many farmers voted in favor of a sales tax, which they were told by their political leaders would fall heavily on them and exempt the rich. On the eve of the poll the American Farm Bureau Federation officially issued an argument against the sales tax, yet more than 22,000 farmers think differently." (From editorial in N.Y. Times, June 24.)

2. In an editorial on the sales tax, The Rural New Yorker for June 25 says: "At first thought the scheme seems plausible, yet farmers have lined up solidly against the plan. Their argument is that the operation of such a system would simply pass the tax along to the final consumer. The manufacturer would discount the tax by charging enough more for his goods to make the jobber pay it. The jobber in like manner would pass it along to the agent, and he in turn to the commission man and the retailer. Then the retailer would also add enough to the price of the goods to compel the final consumer to pay the tax. That is the way much of the 'excess profits' tax has been worked off."

Financing Exports

The committee on banking of the World Cotton Conference at Manchester, Eng., June 22 introduced a resolution supporting the Ter Meulen scheme of providing international credits, as the best instrument for promoting exports to impoverished Europe. (N.Y. Daily News Record, June 23.)

Foreign Trade

"We must sell abroad or wither at home," declared William C. Redfield, former Secretary of Commerce, in an address before the convention of the New York Bankers Association at Atlantic City, June 23. Mr. Redfield said that only through the Foreign Trade Financing Corporation, or some similar organization, could there be provided an adequate medium for the long term credits which certain of our present and future phases of foreign trade demanded and the mechanism through which American investments could be safely placed in other lands. (N.Y. Times, June 24.)

Foreign Trade Financing

An editorial in the Washington Post June 24 under the title, "To Stabilize Foreign Exchange" says, in part: "A pointed suggestion that the financial interests of the United States cooperate in a plan for the establishment of an international clearing house for the stabilization of foreign exchange and the promotion of foreign trade was conveyed to the New York State Bankers Association by Comptroller of the Currency D. R. Crissinger. ... Tersely stated, the plan contemplates the establishment of a bank of settlement, having a fixed unit of its own, into which the money of all countries would be translated, after the plan of the old Amsterdam bank, which for more than 100 years was the principal settling bank for all of Europe. Thus the money unit of each country would have a fixed value in international trade, regardless of its fluctuations in domestic commerce. As a result the 'expensive' money of America would not drive European purchasers to other markets where they can get more goods for the same amount than in this country."

Freight Rates

Evidence presented to the railroads by shippers of fruits and vegetables in various parts of the country does not justify a general reduction of freight rates on that traffic, the Association of Railway (Cont'd on page 5.)

Freight Rates (Cont'd)

Executives announced June 22. Many complaints of high rates on fruits and vegetables, the statement said, were found to be "merely an anticipation of reduced profits and unfavorable markets, but the actual figures demonstrated that the daily and weekly results were generally remunerative." The announcement followed a meeting of railroad representatives, at which the situation was considered, at the request of the Interstate Commerce Commission. (Press of June 23.)

Live-Stock Loan Pool

The name of the $50,000,000 live-stock loan pool is the Bankers' Livestock Loan Corporation. Its management will be vested in a board of directors to be elected by the subscribing banks in the various states. Details of the management will be in the hands of an executive committee of five Chicago men. It is officially stated that loans to be made by the corporation will be made through and with recourse to the banks and established live-stock organizations of substantial capital. (Wall St. Jour., June 23.)

Milk Record Renewed

Bella Pontiac, the world's record cow, owned by T.A. Barron of Brantford, Ontario, has set a new record. Figures made public to-day by the supervisor of the official test of the Holstein Friesian Association, showed that for the fiscal year ended June 18, Bella Pontiac produced: Milk, 27,017 pounds; fat, 1,259 pounds; and butter, 1,573.75 pounds. (Press of June 24.)

Railroad Abandons Traffic Taken by Motors

Motor vehicle competition is given as the cause for the abandonment by the Ocean Shore Railroad of its lines in California extending from San Francisco to Tunitas Glen and from Santa Cruz to Swanton. Authority for abandoning the road was granted June 20 by the Interstate Commerce Commission. A lumbering and agricultural territory was served by the carrier. (Jour. of Commerce, June 21.)

Tractors Replacing Horses

"According to one of the dealers in Woodbury, N.J. there are now 117 tractors used in Gloucester County, N.J. ... Farmers are realizing that a tractor will do everything the manufacturers say, and in many instances a little more. A tractor mowing machine that will cut a six-foot swath has been demonstrated on some farms, and as farmers are growing more hay and grain now the machines are showing their worth. There is at least one truck on every farm of any size, and most of the farmers have automobiles." (Phila. Ledger, June 22.)

Wheat Price

"Since wheat has been selling at prices well below the cost of production in most sections, the remark is often heard that the farmer himself is to blame, for he could have sold last fall as high as $2.40 or $2.50 a bushel. Quite true, the price of wheat was about that for a short time. A few producers sold. But what if all the growers had thrown their wheat on the market at that time? What if half of them, even one-tenth of them, had rushed to sell? The bottom would have dropped out of the market. An hour's rush to sell would bring a reduction of several cents a bushel, or cause a complete cessation of buying, and if the offerings were continued the entire market would collapse. Criticism of farmers who held their grain is unwarranted. Only a few were in a position to sell, and if they had been and had undertaken to profit from the opening price of the season, chaos would have caused even greater losses than have been experienced." (Editorial in The Oregon Farmer, June 16.)

UNITED STATES DEPARTMENT OF AGRICULTURE

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Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 79. Section 1. June 25, 1921.

House Passes Bill Aiding Farm Banks

The Senate bill providing for deposit of Government funds in Federal Farm Loan banks in order to insure their proper functioning was passed June 24 by the House with an amendment limiting the amount so deposited to $25,000,000 instead of $50,000,000. In reporting the measure the House Banking Committee said its investigations indicated the smaller sum would be sufficient to meet the emergency faced by the Farm Loan banks. Funds will be obtained through the issue of Treasury certificates of indebtedness bearing 5 1/2 per cent interest. (press of June 25.)

Federal Corporation For Farm Exports

Herbert Quick, former member of the Federal Farm Loan Board, June 24 told the Senate Agriculture Committee, considering a bill creating a Government corporation for farm products exports, that unless a speedy system of credit was put in operation hundreds of banks in agricultural districts would have to shut their doors. (press of June 25.)

War Finance Corporation For Exports

Three advances, aggregating $4,000,000, for financing exports, were announced June 24 by the War Finance Corporation. One million dollars was for cotton exports to England, Germany, Spain, France, Japan, Belgium, Italy, Portugal and China; $1,440,000 for export of freight cars to China, and $1,600,000 for export of American tobacco to China. (press of June 25.)

The Marketing Problem

Referring to the incident of the farmers of Aroostook County, Me., last week having thrown 45,000 barrels of potatoes on their land as fertilizer when they would not sell for more than 40 cents a barrel, The Washington Herald to-day says in an editorial: "There never was a time when potatoes could be raised at a profit at 40 cents a barrel. The lowest price with a profit, fifteen and twenty years ago, was 25 cents a bushel. But then, as now, the millstone around the farmers' necks was distribution. To-day this has the added burden of excessive freight rates. It has not been made possible for the food producers to reach directly to their ultimate markets. This should not be their job. It should not be necessary for them to enter this field. They are essentially producers. But the way to the ultimate markets in the process of distribution should be so organized as to be as certain, as assured and as free and untrammeled as is transportation. These farmers made the best possible use of their potatoes. But probably all this surplus would have been consumed if they could have been gotten to the retailer without excessive handling charges."

Section 2.

Field Seeds

"Secretary of Agriculture, Henry C. Wallace, recently made a statement indicating his attitude toward grain exchanges and speculation, which subject is receiving considerable attention at this time. ... If the grain exchanges are regulated to the extent of interfering with their functions it will affect to a considerable extent trading in field seeds at Toledo and Chicago, which are the two principal markets trading in field seed futures." (The Seed World, June 17.)

Tariff Bill

"According to Mr. Penrose, the plan now is to get the tariff bill out of the Ways and Means Committee soon after July 1 and pass it in the House as soon as possible -- probably in about two weeks. Then the Senate Finance Committee will have to have one or two months to study the measure. That will bring the date to about September 1-15. Thereafter the bill must be debated and passed in the Senate. How long that will take nobody knows, but past experience has shown that a month would be a very moderate allowance. This would bring the date of adoption to about October 1, which is the earliest that could be expected." (Jour. of Commerce, June 24.)

Tariff in Spain

The Spanish and Swedish governments have established a mutual agreement under which Sweden will enjoy the lowest scale of customs duties under the new Spanish tariff in exchange for Spain's granting similar concessions. (Madrid dispatch to Phila. Ledger, June 24.)

Section 3.

Department of Agriculture

Price Current-Grain Reporter, June 22, says in an editorial: "The agricultural and commerce arms of the administration insist that the farmers 'must have a fair deal.' The thought that in the distribution of deals any one else than the farmer shall have a fair one does not seem to have occurred to either the Secretaries or to the Congress. Yet why should the fact that the farmer has decided to spend his life growing grain, meat and fibers (none of which is worth much until urban labor has put it into consumable form and given it place value), instead of all day pounding at the blacksmith's anvil or on a typewriter, make him in any degree worthy to be relieved from all the responsibilities which weigh upon other producers. The farmer has always been the spoiled child of the Nation. Every President from Washington to Harding has urged Government aid to farmers ... 'In 1889 the Secretary of Agriculture was made a cabinet officer and innumerable bureaus have been since established to help the farmer, while all other industries have been compelled to work out their own business technique at their own private expense. The Department even goes so far now that it will send an expert to tell each individual farmer who asks for it how to run his own farm. The amount in taxes, State and Nation, paid to help the farmer will doubtless exceed $100,000,000 annually. ... Now his chief advisers want, in addition to all this, the means to subvert legally the commercial as well as the credit system of the country to enable some of the farmers' leaders to work out their economic vagaries at the expense of the rest of the Nation and doubtless of the farmer also."

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Vol. 1, no. 80. Section 1. June 27, 1921.

Farm Hearings July 11

Chairman Anderson, of the Congressional Joint Committee of Agricultural Inquiry, announced June 25 that general hearings would begin July 11. Farmers, stockmen, dairymen and representatives of farm organizations will be heard first. (Press of June 27.)

Farm Credit

"The House on Friday passed the Curtis-Nelson bill to provide larger capital for the Federal Farm Loan Board. This is in effect an emergency measure to provide farmers with long credit on land security. But before permitting it to have consideration on the floor of the House, the House leaders cut the amount from $50,000,000 to $25,000,000. This less amount is known to be wholly inadequate. It is not sufficient for economic administration and marketing of the bonds. As passed by the Senate it carried the full amount and the vote in the House, 314 to 4, showed that the $50,000,000 would have been as readily approved as was the half loaf, but for the deal made in order to gain consideration. Congress can hardly afford that sort of a record. It is to be hoped that the Senate will stand on its judgment and that Senator Curtis will be able in conference to secure approval of the credit as stated in his bill." (Editorial in Wash. Herald, June 27.)

Improved Conditions Abroad

"News that the British cotton workers have accepted a wage settlement and will return to work deserves more attention than it receives. Wall Street paid small heed, but the strike is broken and this important development will be felt later. Great Britain's cotton spindleage is 25 per cent more than the total of all of the rest of Europe. It is more than one-third that of the world. We talk largely about the German market, overlooking the fact that Britain will consume as much raw cotton in one day as Germany will in a week in normal times. Much depends upon the world market for manufactured cotton goods, and business has not been good. But shortly before the Lancashire strike the Textile Recorder referred to a broadening of demand in the East. It said that the demand was decidedly healthier and that there was ground for believing that a definite turn toward better times had taken place. ... Europe's greatest industrial and financial nation is surely emerging from troubles that a few weeks ago seemed great enough to test its integrity. ..." (Wall St. Jour., June 27.)

Farm Export Corporation

Secretary Hoover told a Senate committee June 25 that while opposing a bill to create a Government farm export corporation, he did not feel that the extension of further credit facilities for the supply of food products to Europe would give any adequate remedy. (Press of June 26.)

Section 2.

"Agricultural Bolshevism"

An editorial in the Chicago Journal of Commerce, June 25, says in part: "It is merely platitudinous to say that the American farmer forms one of the most important and influential classes in this country. There is, however, a mistaken idea current at this time concerning the farmer. He is looked upon as a radical, or, rather, it seems the belief that the farmer of radical tendencies predominates. This is not true. Taken as a class, the farmers of this country are conservative. To them the untried schemes of socialism are an abomination. ... that there is a certain element holding to radical tendencies there is no denying ... They have drowned out the protests of their conservative neighbors and their clamor has reached to the legislative halls at Washington. To them is traceable much of the pending legislation which is solialistic in tone and which would seek to rob industry of its independent rights and place it under the control of a paternalistic Government. It was only a few days ago that one of these farm associations, claiming to wield a vast influence, pledged itself to support the American Federation of Labor in any program that body might adopt. It is a similar radical element that is attempting to force drastic control of the packing industry and the grain business. It is this element that is responsible for the Emergency Tariff Law and is endeavoring to secure loans for live-stock growers at a rate of interest far below that which men in other lines are forced to pay. ... "

Filled Milk Legislation

"Filled milk is injurious to the dairy industry because it provided a market last year for 7,000,000 pounds of foreign fats and placed 8,000,000 pounds of butter upon the market. ... The dairy farmer is not only producing an essential food product, but he is also building a permanent system of agriculture which is the very foundation of the Nation. His interests must not be jeopardized. They must be protected for the good of all. The victory of the Wisconsin dairy farmers should stimulate all states to follow their lead. Filled milk must go." (From editorial on the Wisconsin filled milk bill in Hoard's Dairyman, June 24.)

Foreign Trade

Heavy decreases in the country's foreign trade with Europe and South America during May, as compared with May last year, was shown in the report issued June 23 by the Department of Commerce. Exports to Europe during the month aggregated $170,000,000, compared with $384,000,000 in May of last year, while for the 11 months ended with May the total was $3,231,000,000, as compared with $4,588,000,000 for the same months of 1920. Exports to South America during May aggregated $18,000,000 against $58,000,000 in May of last year, while for the 11 month period the total was $506,000,000 as against $445,000,000.

Imports from Europe for the month of May 1921 amounted to $61,000,000, as against $92,000,000 the same month last year, and for the 11 months the total was $883,000,000 as compared with $1,081,000,000. Imports from South America aggregated $23,000,000, as compared with $63,000,000 in May of last year, while for the 11 months the total was $466,000,000, as against $780,000,000. (Press of June 24.)

France Removes Ban on Wheat

A French decree of June 9 removes the prohibition against the importation of wheat, spelt, and maslin, effective from August 1, 1921. (Commerce Reports, June 22.)

Freight Rates

Reopening of the case involving freight rates on citrus fruits from California, complained of by the California Citrus League as being too high, was ordered June 24 by the Interstate Commerce Commission. The date for the hearing will be announced later. (Press of June 25.)

Grain Growers, Inc., Salaries

"None of the elective salaried officers of the United States Grain Growers, Inc., is drawing more money from the company than is necessary to meet current personal expenses, according to a statement issued June 26 by the national headquarters of the new farmer-owned grain company. 'Enemies of the movement,' the statement asserts, 'are attempting to discredit it in the eyes of the farmers by magnifying the importance of the fact that the board of directors voted salaries for officers, as follows: President, $16,000; secretary, $12,000; treasurer, $15,000; and general counsel, $15,000. ... The condition of the treasury is such, said the statement, that they could have drawn the full salary allowed without causing financial embarrassment."
(Chicago dispatch to Press of June 27.)

Herd Expansion

An editorial entitled "The Expansion of Herds" in The Breeder's Gazette for June 16 says, in part: "Breeding stock is cheap, so far as average prices are concerned. There is an abundance of feed, for which the cash market, already low, is likely to be still lower before it is higher. The revival of world industry cannot long be delayed. These outstanding factors are contributing with increasing effectiveness to a marked regional expansion of improved stock-raising, and, in fact, to its nationalization. In the Middle West grain-growing is economically unprofitable, according to production costs, and the grain trade is in the midst of a political and economic struggle, clouded by many issues. A similar situation characterizes cotton-growing. Specialized fruit production on the Pacific Coast has hit the bumps. Prohibition has eliminated an enormous demand for malt-making cereals. Soil fertility problems, growing out of continuous grain cropping, are arresting the serious attention of land-owners. The one-crop system of farming is in disrepute everywhere. Facts and fate are making it clearer every day to thoughtful farmers that more live stock and better live stock are essential to the restoration of a sound and durable agriculture."

Implement Trade

"Reports from the wholesale implement houses indicate a better feeling in the trade. For the past few weeks there has been more buying than at any time since last year's slump, and farm operating equipment is moving. True, the sales are not up to normal for the time of year, ... but the fact that farmers are doing some buying is encouraging. ... The trade future is bright."
(Farm Machinery-Farm Power, June 15.)

Loans to Farmers

Reviewing the meeting of bankers from the Middle West, West and South with President Harding last week, The Journal of Commerce, June 25, says, in part: "The bankers expressed the opinion that available funds in the United States should be used first for the rehabilitation of industry in this country, and that loans to Europe should occupy a secondary place. ... The bankers agreed that the formation of the pool for the relief of cattle raising will bring prompt aid to that industry and afford means of tiding over the present embarrassment. The belief was also expressed that the adjustment of the Federal Reserve policy to the requirements of the smaller banks is affording the needed relief to the agricultural situation, and that with the harvesting of the crops farming conditions will be considerably improved."

Lumber Tax Objection

Opposition to the 25 per cent ad valorem tax on finished lumber proposed in the new tariff bill has been voiced by the Retail Lumber Dealers' Association of Pennsylvania, in a letter to the members of the Pennsylvania delegation in Congress. The lumber dealers say that such a tax would prevent the importation of any lumber into the United States and increase the cost of construction very materially. (Phila. Ledger, June 25.)

Middleman and Freight Rates

"L.C. Grundiland, live-stock editor, of Chicago Daily News, back from a tour through the Middle West, says: 'The big question with the producer of raw food material is, "Why is the middleman and how much of him can be eliminated?" Business men and farmers are unanimous in stating that present shipping cost is the greatest obstruction against the country's return to normal conditions!'" (Chicago dispatch to Phila. Ledger, June 27.)

Quail Protection

An editorial in New York Times to-day, entitled "Protecting the Quail", says, in part: "In some of the states there is a movement to declare the quail a song bird and protect it as such by law. ... But the trouble is that the quail would not be so well protected as it is now under game laws which provide for a closed season and are strictly enforced, with the power of sportsmen's associations in every state behind those laws. The American Game Protective Association maintains that the bird would be abandoned if classified as a vocalist. ... President T.G. Pearson, in a letter to the American Game Protective Association, writes: 'It is my opinion that, especially in the Northern and Central States, the quail to-day would be almost as rare as the passenger pigeon if it had not been for the efforts of the game protective organizations of sportsmen who have long been the chief active force in securing and encouraging the enforcement of laws for its preservation. ...' "

Wool

"Auction sales of wool took place abroad and in this country during the last week. In Great Britain the prices realized were a little lower than at previous sales. In New Zealand, medium merinos and fine crossbreds were somewhat higher. At the War Department auction in Boston a little more than three-quarters of the 5,000,000 pounds offered was disposed of, mainly to carpet manufacturers, at concessions from former figures." (N.Y. Times, June 26.)

Section 3.

Department of Agriculture

1. The Washington Star for June 25 contains a page article on the subject of the "many scientists in the Department of Agriculture who have made discoveries that have saved millions of dollars each year." It says, in part: "These patriots, for such they are, are so engrossed in their work that they give little heed to the fact that, as a rule, they are receiving far less for their labors than the average efficient clerk in any large corporation. Without complaint or thought of public reward, these men are giving the best of their lives in service that means no personal aggrandisement. They are striving to reach but one goal, and that is the giving of something worth while to our citizens."

2. In its Review of Business and Trade Conditions, Price Current-Grain Reporter for June 22 says, referring to the Emergency Tariff: "In compensation what has the farmer received? Only the promise of a system of laws to put the basic food industries under the control of the Government, getting the Government into offensive meddling in business which above all things else led on to the Democratic debacle in 1920, and giving a distinct impetus to the present drift into guild socialism for the farmerunder the leadership of the Departments of Agriculture and Commerce, both of whose leaders seem amid the clamor of farmer radicals to have lost all notion of the proper functions of Government and to be doing their best to give to American legislation that quality of unreality which has seriously impaired the people's ability to deal effectively with which the Nation is now confronted. Both talk volubly of encouraging the foreign trade of the farmer but approve all those measures which invite retaliation against the farmer and try to break down as far as possible all the existing efficient machinery for the distribution of farm products in domestic commerce in order to turn that business over to the whimsical Committee of Seventeen and its creation, the multifarious United States Grain Growers, Inc., the Farm Finance Corporation and the General Sales Agency, Ltd., all ingeniously organized and incorporated with a view to destroy the financial responsibility so necessary to the success of its operations -- a gigantic scheme to enable a group of amateurs to handle the grain crops worth $3,000,000,000 annually on the capital of a peanut stand, obtained by passing the hat or by mendicant supplications for unsecured loans."

3. Who is Who in the Grain Trade for June 20 publishes the speech made at the conventions of the Oklahoma and Kansas Grain Dealers Association by President Clement of the Grain Dealers National Associations. In this he says, in part: "I am going to be charitable enough to say that I believe most of those in the employ of the Government who are espousing socialistic theories do not really mean to commit the nation to a socialistic regime. ... The Bureau of Markets, a subdivision of the Department of Agriculture, seems to be the most pernicious and active propagandist of the national Government, whose efforts are directrd toward the creation of new agencies of distribution. ..."

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Vol. 1, no. 81. Section 1. June 28, 1921.

Farm Loan Legislation

Legislative action on the Curtis-Nelson bill to add about $25,000,000 to the capital of the Federal Farm Loan banks for long term loans was completed June 27 with acceptance by the Senate of the House reduction from $50,000,000 to $25,000,000. The bill now goes to the President. (press of June 28.)

Robson Road Bill

The House June 27 passed the Robson road bill, designed particularly to keep highways improved by Federal funds in good condition. (Press of June 28.)

Grain Dealers Organize Against Class Laws

"A national organization pledged to combat all class legislation wherever it appears in this country was formed at Cincinnati, June 27. It was stated that an active campaign in opposition to the United States Grain Growers, Inc., will be instituted at once. The movement took form under the auspices of the National Grain Dealers' Association. ... It was said that practically all of the great business associations of the country, which were concerned in any way with handling foodstuffs, either in raw or finished state, are expected to join the organization." (Assoc. Press, June 28.)

Economic Study Needed

"After more than two years of discussion the country gets back to the underlying fact that a rupture of economic relations with Europe has occurred, which must be mended before the United States will have its usual growth and prosperity. The stoppage of commerce is a growing evil, as the vast populations do not stand still. The farmer must produce; the railroads must operate; the factories must keep going; the ships must sail. A stoppage means the reversal of the ordinary operations, the logical steps of which are curtailment of the output of the soil, universal famine, reduction of population to fit the new conditions, and fresh resumption of food production. The men in charge of the governments at this stage of civilization will prove themselves unfit heirs of glorious works if they fail to grasp and solve the problem that confronts them. They are required to readjust the economic system of the world with as little hardship to humanity as possible. ... From President Harding and his advisers should come the most feasible and practicable suggestions for the resumption of the world's commercial cycle of production, transportation and distribution. ...

"Assuming that the United States Government is willing to perform its duty to

(Cont'd on page 2.)

Economic Study Needed (Cont'd)

the American people by ascertaining how to restore universal commercial activities, it seems reasonable to expect the administration to make sure of its position by obtaining clear and complete knowledge of the world's economic situation. Who knows this situation? ... President Harding can not be expected to know the facts, and his Cabinet advisers are also too much engrossed with their departmental affairs to be able to gather the necessary information. The obvious thing to do is to appoint a small commission of the ablest Americans to be found, whose experience and capacity would fit them for the task of making a broad study of economic conditions. ... The exact economic conditions of each country could be ascertained. The commission could soon put its finger upon the weak spot in the situation. The remedy might be more difficult to work out, but if the masters of economics can not suggest a way out, no one else need make the effort. It would be better in that case to refer the whole subject to time, which solves all questions in a fashion." (From editorial in Washington Post, June 28.)

Section 2.

Agricultural Bloc

"Whatever one may think of the aims and activities of the so-called 'agricultural bloc' in Congress, the fact remains that it is a force that must be reckoned with now and hereafter. Some score or more of Senators and a hundred Representatives are united, without regard to party affiliations, in an effort to get all the legislative favors they can for the farmers. ... Back of this Congressional bloc the farmers' organizations stand arrayed. Of these the most influential is the American Farm Bureau Federation, with about a million and a half members. Spokesmen for this body on more than one occasion have made the various Government departments sit up and take notice. They persuaded Shipping Board officials about a year ago to abandon a plan for bringing large quantities of Argentine and Australian meats to this country in order to break the high meat prices then prevailing, and they have been especially diligent in presenting the farmers' viewpoint before the Interstate Commerce Commission. The agricultural bloc in Congress secured the passage of the Emergency Tariff Law and the revival of the War Finance Corporation, and they are now fighting for the bills to regulate the packing industry. It may be taken for granted that from now on there will be an organized farmers' interest, just as in the past there have been an organized labor interest and various organized business interests, making themselves heard in Congress." (The Financial Age, June 25.)

Cotton Inquiry

President Harding has requested Secretaries Mellon and Hoover and Eugene Meyer, Jr., Managing Director, War Financing Corporation, to investigate credit facilities in the South, with regard to the carrying over of surplus cotton stocks until they can be marketed in an orderly way. The committee expects to begin preliminary inquiry immediately upon the return of Mr. Myer, who is in New York. No definite program has been announced as to what lines the investigation will follow. The plan contemplated is similar to that undertaken in the cattle industry.
(Press of June 28.)

Cotton Acreage Increase In China

A communication to the Department states that a very substantial firm in China, which has the backing of strong Chinese bankers, is enlarging its cotton-growing business along the Yangtze River, the plans involving in the near future the use of about 250,000 acres of land in that industry. It says also: "The University of Nanking, in China, is doing excellent work in the improvement of the silk and cotton culture in China, under the direction of Americans."

Cotton Mills For Tsingtao

Japanese cotton companies are erecting more mills at Tsingtao, the port of Shantung, China, and when all the plans are carried out the total capacity will be about 125,000 spindles. The International Cotton Spinning Company, which already has a mill at Tsingtao, is building two more. Lowness of wages, easy supply of labor and other considerations have apparently induced the Japanese to increase the mills at Tsingtao and from these supply a Chinese market. (Tokyo communication to Phila. Ledger, June 28.)

Cotton Stocks In Japan

The present stocks of raw cotton in Japan are approximately estimated at or under 300,000 bales, of which 65,000 bales are American cotton, according to a cablegram from Trade Commissioner Butts at Tokyo. In addition to the raw cotton, there are estimated to be 35,000 bales of cotton yarn in stock. (N.Y. Times, June 27.)

Farmers' Banks

"We are told from Washington that the secretary of the National Board of Farm Organizations announces that 'the farmers of the United States' are considering proposals for establishing a chain of banks from coast to coast and will soon have a meeting to talk it over. The farmers lost seven billions last year, says the announcement, through inability to obtain credits, and since they furnish one-half the deposits in the country there is no reason why they could not supply the capital needed 'to set up a chain of cooperative banks, which would make credit easy for carrying on agricultural work.' Of $2 spent by the farmer and the laborer, this statement avers, 'other businesses get $1.28 for moving around the commodities bought, a distribution cost which might be reduced to 40 cents.' Possibly so, and possibly not; this is a part of a quite general declaration of hardships, but hardships are not the burden of the farmer alone, and there is no good reason to believe that a chain of banks would smooth his road, if such could be established in the easy fashion here proclaimed." (Commercial and Financial Chronicle, June 25.)

Farmers Call For Loan

Farmers of California, Arizona, Nevada and Utah, comprising the western district, have filed applications aggregating a sum in excess of the $2,500,000 to $3,000,000 allotment of the $40,000,000 sum now available for their use through the Federal Farm Loan Board. (San Francisco dispatch to N.Y. Daily News Record, June 27.)

Freight Rate Situation

"A horizontal advance in freight rates seems to be all right but a horizontal reduction would be very bad. That seems to be the idea of the Interstate Commerce Commission, and it is reported that the members so expressed themselves to President Harding (Cont'd on page 4.)

Freight Rate Situation (Cont'd)

when he visited them recently. ...The attitude of the Commission is disappointing. There should have been no horizontal advances on the larger commodities in the first place, especially when these commodities were dropping in price so rapidly. The cost of shipping a bushel of corn to the eastern coast from Iowa is almost as great as the farmer gets for his corn. Farm commodities cannot stand this sort of thing very long. The Commission indicated that it was not holding hearings on these commodity rates. Farmer organizations should get busy and see that strong cases are made for reductions in rates on grain and live stock. The Farm Bureau has the money and it ought to be used for this purpose." (From editorial in Wallace's Farmer, June 24.)

French Objections To Emergency Tariff

The Chamber of Commerce of Paris adopted a resolution June 25 requesting the Government to ask M. Jusserand at Washington to procure precise information as to how American appraisers are to execute their mission under the new customs regulations adopted by the United States. The resolution asks the French Government to declare to the United States that it cannot consent to foreign functionaries coming to France to inspect the books and documents of French merchants and manufacturers. (Paris dispatch to N.Y. Times, June 26.)

Grain Grades

A delegation from Minnesota and North and South Dakota before the House Agriculture Committee June 27 advocated modification of Federal grain grades. (Press of June 28.)

Live-Stock Industry Collapse

A collapse in the live-stock industry was depicted by speakers at the convention of the National Traders' Livestock Exchange at St. Louis, June 26. The moving of feeding stock from western ranges to farms has virtually ceased, the speakers said, and an almost complete paralysis of sheep and cattle raising has resulted in a flood of inferior material to the markets. (St. Louis dispatch to Jour. of Commerce, June 27.)

Potash

The potash syndicate announces a falling off of 120,000 tons in its output during the first 5 months of the current year, compared with the same period in 1920. The decrease is attributed to stagnation in the home and foreign markets. (Berlin dispatch to press of June 27.)

Rail Workers' Wages Cut

The United States Railroad Labor Board June 27 extended its wage reduction order, effective July 1, to nearly every large railroad in the country. No change from the average 12 per cent reduction granted 104 carriers on June 1 was made by the decision. The Board's order June 27 covered 210 roads. (Assoc. Press, June 27.)

Russia's Economic Situation

An editorial in Wallace's Farmer for June 24 which reviews the Russian economic situation, as outlined by the recently issued British report, concludes: "The Russian situation as it exists to-day is probably a very real advantage to the wheat growers elsewhere in the world and especially to the United States wheat grower. ... Looking at the matter in a larger way, however, we cannot help but come to the conclusion that Bolshevist Russia is likely to keep all Europe in an uproar and in the long run the

(Cont'd on page 5.)

Russia's Economic Situation(Cont'd)

American farmer will be the loser rather than the gainer by Russia's inability to produce grain for export."

Rice

Only 1,028,000 bushels of rice, rough and clean, will be carried over into the season of 1921-22, according to calculations made by Michael Lelong and Co., rice dealers of New Orleans. (N.O. dispatch to Phila. Ledger, June 25.)

Tuberculosis Eradication

In an editorial criticising the attitude of the Holstein-Friesian Register toward tuberculosis eradication, Hoard's Dairyman for June 24 says: "We regret that a publication like the Holstein-Friesian Register has failed to understand the meaning of tuberculosis and why effort is being put forth to eliminate it from our herds. ... The Register holds that 'tuberculosis eradication is stimulated by a certain frenzy in the public mind, based wholly upon an implicit reliance on the opinion set forth by professional men that bovine tuberculosis is communicable to the human race through the consumption of milk.' This statement shows the ignorance of the Register as to the real purpose of eradicating bovine tuberculosis. The public health can be protected through the pasteurization of milk, but the only way to protect the breeder from heavy losses is through the elimination of tuberculous animals. No breeder can afford to keep a tuberculous herd of cattle, for he is the one who sustains the loss. ... Tuberculosis, to a large extent, is an economic question and the sooner breeders and dairy farmers appreciate this, the sooner will they desire to eliminate the loss. ... It is a great disappointment to us that the Register has shown so small a comprehension of tuberculosis and the methods for its eradication. Many breeders and farmers desire to believe just what the Register has published, and they will accept these statements, misleading as they are, as being true and in the end will suffer heavy financial loss."

Vegetable Oil Tariff

"Cocoanut oil, out of which is made millions of pounds of lard and butter substitutes, pays a tax of 2 cents a pound under the emergency tariff. That is a low tariff. But under the permanent tariff which is now under consideration by Congress it is proposed to let vegetable oils into the United States free. The hog man and dairyman have apparently been asleep. A tariff on vegetable oils and especially on cocoanut oil and copra means more to the hog man and dairyman than all the rest of the tariff bill together. The American Farm Bureau Federation has been fearfully negligent in this matter of keeping a tariff expert continually on the job. There is serious danger that the permanent tariff will give far more protection to the manufacturing interests than to the farmer. If that is the case, the farmer himself will be largely to blame because he has failed to hire the necessary experts."
(From editorial in Wallace's Farmer, June 24.)

Wool

Houston is destined to be the leading wool market of the Southwest, it is predicted, as a result of a contract being closed between the executive committee of the Wool Growers Association of Texas and the C.N.Merkle Bonded Warehouse Co. (Houston,Tex.,dispatch to N.Y.Daily News Record, June 23.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 82. Section 1. June 29, 1921.

British Coal Strike To End July 4

The British coal dispute was finally settled June 28, and work is to be resumed July 4. (Press of June 29.)

"Settlement of the British coal strike had a stimulating effect on all cotton markets yesterday." (N.Y. Times, June 29.)

Labor and the Farmers

William Howard Taft says in an article, "Labor and the Farmers", in Philadelphia Ledger, June 29: "Mr. Gompers' proposal in the recent convention of the American Federation of Labor that union labor and the farmers should unite to protect themselves against the rapacity of the capitalistic class is not new and is not any nearer consummation than when proposed before. Occasionally the self-interests of unions and farmers, as each class understands them, do lead to common action in respect to legislation and voting at an election; but more frequently their interests clash. ... In Kansas which is full of successful farmers, as North Dakota is not, the antagonism of the farmers to the excesses of organized labor is marked. But for this Governor Allen would have found it impossible to establish his industrial machinery for compulsory arbitration and to win the support by public opinion of the drastic procedure of his courts for hearing, deciding and stopping disputes likely to close down industries upon the continuance of which the life and comfort of the community depend.

"One reason for the complete power of organized labor in Great Britain is that there are not farmers enough there to offset the labor vote. One reason why the leaders of union labor in this country have never thought it wise or expedient to attempt to engage their men in politics as a separate political party is that in pressing their own interests they would be almost certain to neutralize their influence by rousing great opposition among the farmers.

"Of course, there are farmers and farmers. A farmer whose farm is in that doubtful belt where a good crop is an exception and who is dependent on exceptionally high prices to make his farming pay is in a hopeless state of complaint with things as they are and is an admirable recruit for any party which is radical in its program. But a farmer who makes a real living out of his farm is in his way a capitalist. He is interested in securing labor at reasonable prices because what he has to pay in wages is an important factor in the cost to him of what he has to sell. When he is told that railway rates for his wheat and grain have to be raised because of the high wages that the railway brotherhoods have exacted from the railroads, his views of the power of organized labor are not altogether sympathetic. Mr. Gompers' suggestion that organized labor and the farmers permanently unite against the rest of the country is fortunately impracticable. Great economic and political issues in this country will not be settled that way."

Section 2.

American Farm Bureau Federation Organization

The department of organization, American Farm Bureau Federation, reports that Lee and Russell counties in Virginia have formed farm bureaus. Arkansas now has 27 farm bureaus. Massachusetts now has 5,400 farm bureau members, with a goal of 10,000 by December 1. Idaho has started a drive in Canyon County, and reports 500 members at $7.50. Dane and Waupaca counties in Wisconsin had 22 men doing organization work last week. (A.F.B.F. Weekly News Letter, No. 25.)

Bread Prices

An editorial entitled "Bread Price Propaganda" in The Northwestern Miller for June 22 says: "The newspapers continue their vague but insistent talk about the return of the five cent loaf of bread, and every so often some one whose position gives his statements the weight of at least apparent authority comments publicly on the situation in a manner which suggests to the self-appointed guardians of the public welfare that nothing stands between the people and the prewar prices except the organized greed of the baking industry. Not long ago the Secretary of Agriculture was quoted in the press to the effect that 'return of the five cent loaf of bread is a near possibility throughout the United States. The average value of the wheat needed to make a one pound loaf of bread now is one and seven-tenths cents. Farmers are receiving for their wheat only slightly more than in prewar days, when bread customarily sold for five cents a loaf. Flour prices are largely deflated. The big difficulties in the way of the five cent loaf now are high freight rates and high wages.' ...

"All this would be very interesting if it were true, but, as is so often the case with statements attacking any branch of industry, it is not. The exact facts, as reported officially by the Department of Agriculture and the Department of Labor, are readily available, and they prove, first, that the farmer to-day is receiving over 50 per cent more for his wheat than he was in prewar days, and, second, that the retail prices of flour and bread have been 'deflated' quite as rapidly as has been possible. ... The farm price of wheat represents about 60 per cent of the retail price of a barrel of flour, the remainder being made up of such items as labor, transportation, fuel and power. ... Not one of these items has recently declined as much as wheat; some of them have gone steadily upward. ...

"In the loaf of bread the farm value of wheat represents only about 25 per cent of the selling price, and all the elements which enter into the price of flour have double force in influencing the cost of bread, for the reason that to the miller's expenses must be added those of the baker. Nevertheless, the present price of bread is proportionately only a trifle more advanced over the prewar level than that of flour, the 6 per cent difference being, in point of fact, a good deal less than the bakers could justly claim as the result of their still very heavy expenses of operation."

Economic Resolution

At the June 28 session of the second congress of the International Chamber of Commerce, which opened at London June 27, the delegates adopted a resolution declaring that the various governments should pursue a strict policy with regard to taxation and departmental economy; that they should make disarmament effective so as to reduce their budgets; also that private enterprises with

(Cont'd on page 3.)

Economic Resolution (Cont'd)

government support should undertake national and international organizations for export credit; that countries without depreciated exchange rates should avoid, so far as possible, new external debts, and that the greatest liberty possible should be granted all commercial and financial transactions. Another clause adopted urged that inflation of paper currency be stopped and that a plan of action should be drawn up regarding a solution of the problems connected with the inter-allied debts. F.O. Watts, in behalf of the American delegates, urged that no action should be taken along this line on the ground that the time was inopportune for such a declaration. (Assoc. Press, June 29.)

Farmers Indorse Executive Committee

The American Farm Bureau Federation in its Weekly News Letter, No. 25, says: "The membership of the American Farm Bureau Federation has completely indorsed the agricultural legislative program recently outlined by the executive committee. The vote of confidence just completed in national referendum demonstrates completely that the desires of the membership were rightly interpreted by the executive body." The answers to the sixteen questions in the questionnaire are presented in tabulated form in this Letter.

Farm Products Financing

An editorial entitled "Hoover's Opposition to Farm Corporation in New York Commercial, June 28, says in part: "Secretary Hoover, testifying before the Senate Committee on Agriculture, strongly disapproved of Senator Norris's bill authorizing the formation of a government corporation with $100,000,000 capital. Mr. Hoover took the ground that the project offered doubtful success and that in any event it belonged in the field of private enterprise. ... Mr. Hoover expressed the feeling of the people generally when he said he sympathized with the purposes of the bill. If there is any way that our agricultural exports can be stimulated it will be to the benefit not only of the agriculturists themselves, but to every individual in the country. The question is, is this hundred million dollars for an export association the right way to go about it? ...

"The answers to these questions are not far to seek. The Government's aid is asked because private enterprise is afraid to proceed. We cannot sell our agricultural products abroad because our foreign customers are financially unable to pay for them. That is the reason private enterprise hesitates. We are asking, therefore, to have the Government lend money to our foreign customers with which to buy our agricultural products. Why should we go through the form of transacting business in this way? We might just as well lend the money direct to the farmers and let it go at that. If these prospective customers abroad are unable to finance their operations through ordinary banking channels, they are equally unable to finance them through a government corporation. It would simply mean adding another hundred million dollars to what foreign nations owe us, and seem unable to pay. ..."

French Farmer Federation

"France has an organization somewhat similar to the American Farm Bureau Federation. The chief point of difference is in the fact that the 350 adhering groups lack uniformity of name, purpose and plan of organization, all of which will doubtless be a source of weakness. The French federation is known as La Confederation Nationale des Associations Agricoles and is usually referred to as the C.N.A.A.. That stands for a great symbol to-day. Backed by a group of aggressive but careful thinkers, this federation has developed a spirit of solidarity among farmers heretofore unknown. The C.N.A.A. has given attention to better methods of standardization; more freedom of action on the part of cooperative associations, especially in the buying of supplies; reforms in inheritance of farm property and in legal methods of consolidation of small and scattered pieces of property, especially in the devasted area; and the introduction of motor culture to offset the lack of man-power." (From review of this organization by Dean Hunt, Coll. of Agric., Univ. of Calif., quoted in A.F.B.F. Weekly News Letter, No. 25.)

Government Tractor "Gifts"

"Complaint is arising from the industry against the indiscriminate distribution of Government-owned tractors, motor trucks and other equipment bought originally for war purposes. Tractors and trucks, especially, are being 'given away' to counties and road boards for use in the construction and maintenance of good roads. No good citizen objects to the proper employment of these tractors and trucks in road work. The objections of the industry are soundly based on the improper practices which characterize some phases of the distribution. Several Missouri contractors are said to have 'acquired' tractors, each regularly priced at $6,500, for $550 apiece, the only 'string' tied to the machines being that they should not go outside the State. ... The Federal and State authorities are in duty bound to see that these high-priced machines are not sold to private individuals at 10 per cent their worth. If they must be sold, a businesslike effort should be made to obtain a price at least approximating their value. If they are to be 'given away,' care should be taken to see that the recipients are states or counties, and not men who make a business of building roads." (Implement and Tractor Trade Journal, June 18.)

Grain Trading

"The Chicago Board of Trade is to have a 'housecleaning.' Four committees have been appointed to prepare drastic amendments to the rules, it was announced by President Joseph P. Griffin. All features that have been the targets of complaints made by the farmers' organizations, the State legislature, and congressmen, are to be corrected or eliminated." (Commercial West, June 25.)

Live-Stock Financing

"Artificial financing to accelerate the speed of Montana's return to normal is declared by President Sam Stephenson of the First National Bank of Great Falls, Montana, to be impracticable and a method that might easily react to the disadvantage of the agricultural and live-stock industries. The principal obstacle (Cont'd on page 5.)

Live-Stock Financing (Cont'd)

now in the way of stockmen is lack of collateral, and when this is forthcoming there will be ample capital for expansion of the industry, Mr. Stephenson states." (Great Falls, Mont., dispatch to Commercial West, June 25.)

New Zealand Fruit for Hawaii

Hawaii is now receiving regular shipments of fruit -- pears, apples and grapes -- from New Zealand and Australia, according to a communication from Honolulu to Philadelphia Public Ledger, June 28.

"Saving the Sequoias"

"By the purchase of 640 acres, the last private holding in Sequoia National Park, the National Geographic Society has completed a public service of high distinction and has given to the American people for all time complete control of the central forest of giant sequoias, 'the oldest and most massive of all living things.'" (From editorial in N.Y. Times June 29, which reviews the history of the purchase.)

Sugar Interests Consolidate

Important Louisiana sugar canegrowers and sugar manufacturing interests have consolidated their properties and have incorporated under the name of Sterling Sugars, Inc., with a capital of $2,500,000. The plants are situated in St. Mary and New Iberia parishes and, in addition to the plants, include 5,700 acres of cane-growing land. (Franklin, La., dispatch to Jour. of Commerce June 27.)

Wheat

Severe breaks in the price of wheat took place June 28, some sales showing a loss as much as 9 cents a bushel. Free selling on the part of country holders was largely responsible. (Chicago dispatch to Phila. Ledger, June 29.)

Wool Pool In Illinois

In the face of the estimate by the leading wool producers that the 1921 production may be 40 to 50 per cent lower than the 1920 production, there is every indication to predict that a larger proportion of the Illinois production will be pooled in 1921 than in 1920, even though the number of pounds may be smaller. In 1920 producers ordered 3,415 sacks from the Illinois Agricultural Association, while so far this year the Association has received orders for 5,256 sacks.

Every pound of the million and a half pounds in the 1920 Illinois Agricultural Association wool pool has been sold. With the disposal of the last 20,000 pounds a week ago one of the largest and best known state-wide cooperative marketing projects in Illinois became history. Beginning July 1, checks will be mailed to the 7,313 individual growers in 89 counties who contributed to last year's pool. (Ills. Agri. Assoc. News Letter, No. 58.)

Wool in Montana

Hundreds of small wool growers in the Northwest are puzzled to know what to do with their clips. Many of them still have their 1920 wool or a large part of it and now have the new clips to add to it. They are being urged to put their wool in pools, but many have not done so. Reports from Montana are that buyers are offering 17 to 18 cents a pound for wool, but owners are not selling at such prices. (St.Paul dispatch to Phila. Ledger, June 29.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 83. Section 1. June 30, 1921.

The Tariff Bill "The administration's permanent tariff bill was introduced June 29 in the House of Representatives and for the first time was made public. No explanatory statements accompanied the introduction of the measure as heretofore has been customary and no official estimate was made of the revenue it is expected to return. Unofficial estimates by members of the Ways and Means Committee, however, placed the expected return as high as $700,000,000 a year. The Payne-Aldrich law in the normal prewar years produced a little more than $300,000,000 a year.

"Examination of the bill, which covers 346 printed pages, shows that in some cases the rates proposed are higher than corresponding rates of the Payne-Aldrich law, while others are correspondingly lower. An estimate of how the whole bill compares with the Payne-Aldrich law would only be possible by tariff experts making a detailed study because the schedules of the new bill are in many cases not framed in parallel with the schedules of the Payne law, but are differently constructed.

"In comparison with the Underwood tariff law of the Wilson administration the new bill removes many articles from the free list, although it leaves a large list free of duty, including print paper, wood pulp, leather and harness, and agricultural implements. It raises the duties on the great bulk of imports already being taxed. It has made no notable additions to the free list. Comparison of the wool schedule with schedule 10 of the Payne-Aldrich bill, over which a bitter fight was waged in Congress, showed material reductions in a number of instances." (Assoc. Press, June 30.)

The Bill Discussed . An editorial on "The New Tariff Bill" in The Washington Post June 30 says in part: "In the framing of this bill Congress has had a most difficult duty, because of conditions prevailing in the business world. Industry at home and abroad has been seriously disturbed by the war and remains abnormal. New industries have been established, growing out of the necessities of the war, which demand protection without too much of it. Because of low production abroad and the depressed state of the American market it is next to impossible to estimate the revenues which may be anticipated from the new tariff. And in view of the fact that the United States is seeking an extension of its foreign trade it would not be good policy to impose prohibitory duties on imports lest it might invite retaliation.

"These are but a few of the problems which faced the House Ways and Means Committee in the framing of the new tariff and which the membership of Congress might solve in its consideration of the bill, but they are sufficient to illustrate the possibility of great variance of opinion regarding details. The lumber tariff is a case in point. As one of the large industries it is entitled to a reasonable protection, in the opinion of many representatives; but on the other hand because of the high prices of lumber in this country and the comparatively small production,

(Cont'd on page 2.)

The Bill Discussed (Cont'd)

the Ways and Means Committee have placed it upon the free list, with the provisc that the President may, if he deems proper, impose a duty upon lumber imports equal to the duties charged on like products by the country from which it is imported. Thus, if this provision stands, President Harding may put into effect a duty on lumber imported from Canada equal to the Canadian duty on lumber imports from the United States.'

"Because of the abnormal conditions existing and the uncertainties which surround the future, it will be wise for Congress to leave a considerable measure of authority with the executive to fix rates, at least within certain limits, to meet any situation which may arise. The so-called bartering tariffs, which give to the President the power to make concessions to those countries which grant similar favors to the United States, even if they are not invoked, will, by merely being upon the statute books, have a good influence in the promotion of trade relations."

Section 2.

Cold Storage Legislation

Referring to the Federal Cold Storage bill, the New York Produce Review and American Creamery for June 22 says: "There are many traders and economists who will feel a strong sympathy for the views forcibly expressed by several of those in attendance at the hearings that Federal legislation seeking to throw restrictions upon the length of time perishables may be kept in storage and requiring the branding of such perishables to indicate the fact that they have been refrigerated for longer periods than thirty days, is useless, of no public benefit and wasteful of the public funds. But there appears to be little hope of impressing the majority of our people and of the lawmakers with the fundamental truth of this view, and the tolerance toward a Federal law so worded as to minimize the damage and waste it will inflict and at the same time satisfy those in favor of regulation is thus explained. But just how difficult it is to reach a mutually satisfactory compromise with a Congressional Committee the personnel of which is constantly changing, is clearly demonstrated by the snail-like progress so far made in devising a measure which is workable and unobjectionable."

Cooperative Elevators

"There is considerable encouragement for the cooperative elevator movement in the preliminary report of the Federal Trade Commission, issued last week. Incidentally the report furnishes general support for the claims made for cooperative grain handling as a business proposition. It shows that the highest returns on the investment, including borrowed funds, are shown by those cooperatives paying patronage dividends. These paid 31.78 per cent in 1915-1916; 38.97 per cent for 1916-1917; and 26.32 per cent in 1919-1920. The lowest return in each period was by the line elevators — 11.66 per cent, 15.82 per cent and 12.86 per cent, respectively. Independent elevators and cooperatives not paying patronage dividends occupied positions between the two extremes." (The Ohio Farmer, June 25.)

Federal Aid in Farm Exports

Eugene Meyer, Jr., Managing Director, War Finance Corporation, told Senate Agriculture Committee June 29 the question whether the Government should enter the business of buying and selling farm products for export is one of policy which the Government must decide. (press of June 30.)

Fertilizer Trade

"The situation in the fertilizer trades is in some respects peculiar. In the large it is, of course, true that fertilizers are depressed -- but still fairly stiff in price -- because agriculture is depressed in the United States; and agriculture, in turn, is depressed here because it is in Europe, relatively to other European countries, the one industry that is still functioning, the industry that is slumping least in product. ... Thus fertilizers are everywhere suffering for a market because agriculture nowhere pays. Europe as the great user of fertilizers can least afford to pay for them. It is, however, worse than this with fertilizers in the sense that this is not the full case. Cotton, especially, does not pay; is at one-fourth its inflation-peak price -- the while that grains and meats, that are also low, have fallen only half as much. And cotton is the great crop that affords a market for commercial fertilizers -- a demand especially heavy for the cotton-growing of the sandy-soil South Atlantic states." (Standard Daily Trade Service, June 29.)

Forest Legislation

Differences of opinion on forestry conservation legislation were expressed June 28 by speakers at the meeting in New York of the Forestry Policy Committee of the Chamber of Commerce of the United States. Gifford Pinchot opposed the Snell bill, pending in Congress, as not being sufficiently drastic in its provisions. He favored compulsory conservation, while the present bill provides only for cooperation between the Federal and State governments. He said the United States must prepare to cultivate its own timber or eventually go without lumber. ... R. S. Kellogg, representing the National Forestry Program Committee, said the Snell bill had the indorsement of more than 100 organizations; that while it was not radical enough for foresters who want compulsory regulation, it was too radical for others, who thought it an invasion of their vested rights. (N.Y. Times, June 29.)

Fur Sales

More than 60,000 pelts were disposed of at the third fur sale conducted by the Winnipeg Fur Auction Sales Co., June 28, and approximately $180,000 was realized. Prices advanced over the two previous sales. (N.Y. Times, June 30.)

Italian Import Ban on Maize and Rye Removed

The Italian restriction on the importation of maize and rye has been removed, effective July 1, 1921. (Report of Trade Commissioner Osborne.)

Mexican Duty on Live Stock

A Mexican decree has been issued, effective June 17, 1921, imposing an import duty of 10 pesos($5) per head on all live stock except males imported with herding females for breeding purposes in proportion of two males for each female. (Report of Consul Ferris.)

Mexico Buys United States Cattle

Demand in Mexico for American cattle has developed to such an extent that purchasers are now sending representatives to the United States to buy stock. It is said Mexicans are able to direct shipments by methods unfamiliar to foreigners. Both dairy and beef stock are in demand. (Report of Consul Ferris.)

Motor Traffic Legislation

1. "The hundreds of millions that have been spent in building roads have so far been raised, in most cases, by Federal, State and County taxes or by bond issues to be paid off by such taxes. In some states the maintenance of the roads has been paid for by motor vehicle taxes, but even this has not been universal. During the past year or two, however, the growing opinion that motor vehicles should carry a large part of the burden of road construction as well as maintenance has been embodied in the form of state laws, aopted or proposed. ... As to the argument that good roads, by encouraging truck hauling in competition with railroads, benefit all by lowering prices, the question arises -- do they? ... If the interest and maintenance costs of the roads of a state and an adequate depreciation be charged against the motor traffic of that state and met by an increase in rates for truck transportation, would the showing be favorable compared with rail freight rates? Unless it is, then a few are benefiting at the expense of the general taxpayers. If and where trucks, after paying their share of all highway charges, can compete with railroads, they are an economic advantage and those pay who benefit. Under present practices, it is undeniable that only a percentage of those that pay for good roads, directly or indirectly, benefit by them." (From editorial in Public Works, June 25.)

2. "Governor Davis deserves considerable credit for signing the Burke bill against the tremendous opposition of the heavy trucking concerns which went in force to Columbus to demand that he veto the bill. ... While it is a rather drastic law it was necessary that it be so. A few trucking companies, which paid nothing for franchises to use public roads for heavy hauling caused hundreds of thousands of dollars worth of damage to highways and at the same time opposed every effort to regulate their loads, although it would have been in their own interest to have done some regulating on their own account. The bill was backed by the State automobile association and is reported to 'work a hardship' on only one motor vehicle in 800 in Ohio. It will not interfere with the five-ton truck except that it will prevent overloading. One of the extra good features of the law is that it gives power to the State highway commissioner and the county surveyors to limit loads in the spring." (From editorial in Ohio Farmer, June 25.)

Potash in Alsace

"France's heroic strides toward reconstruction and economic rehabilitation are typified by the energy with which the potash mines of Alsace are being exploited. To acquaint American buyers of potash with the fact that these mines, now in French hands, are ready to meet demands, a commission, headed by Senator P.A. Helmer, will leave for the United States on July 11. As Government administrator of the mines since the armistice, and as the representative of the Upper Rhine district in the French Senate, Senator Helmer with the commission will confer with members of the American Potash Syndicate." (From an article on "Wealth of Potash in Alsatian Mines" in N.Y. Times, June 29.)

Resources of the United States

Each of the eleven countries participating in the meeting of the International Chamber of Commerce at London was asked to submit a report of resources. The American report says that the United States produces approximately one-quarter of the world's agricultural products, and more than one-third of its minerals. Of these commodities there are exported about 60 per cent out of total production of cotton; 50 per cent of copper; 25 per cent of grain; 20 per cent of petroleum; and appreciable proportions of our production of coal, wool, wheat, meat and meat products, etc. (Chamber of Commerce of the United States press release for June 30.)

Rice in Japan

The Japanese Government has established a separate account for the transaction of business connected with the purchase and sale of rice. The object is to stabilize the price. Purchases are to be paid for by notes issued by the Government which are to be redeemed within a year, except in the case of purchase from foreign countries. These notes may be discounted by the Bank of Japan at the rate specified by the Government. (Phila. Ledger, June 30.)

Road Materials

"Many sections of Ohio are thinking seriously of the cost of road building and road materials. This is the first sign of favorable action on the part of the public. Good results are sure to follow if the people will keep right after the officials in charge of road building and impress on them the fact that the public demands that they give the business of road building the same consideration and judgment that they would give private business of their own." (From editorial in The Ohio Farmer, June 25.)

Tariff and Farm Products

In its "March of Events," The World's Work for July says: "In real truth the Emergency Tariff will do little for the general farmer who is suffering, except perhaps raise his hopes. On the contrary, it and its successor, if it is a high tariff, will probably do him more harm than good. It will raise the price of all the manufactured goods which he buys and reduce the good-will of the foreign grain, cattle, and hog markets to which he sells. If the United States adopts a high tariff policy discriminating against the goods of foreign countries, these countries can be confidently expected to discriminate against our exports, a large part of which are farm products. ... The effort to exclude other people from selling in the United States and at the same time force our sales upon them is fundamentally sound in neither economics nor morals. The tariff wars of Germany and Russia and Austria and Serbia are fair samples of the results of trying to protect your own markets and force open those of other countries."

Wool Trade in England

The English woolen industry is facing a partial collapse unless there is a speedy recovery of trade, London Financial Times declared June 26. (N.Y. Daily News Record, June 27.)